CITY OF ONTARIO

Regular City Council/Housing Authority/Ontario Public Financing Authority Meeting
MAY 5, 2026

City Hall
303 East B Street, Ontario, CA 91764

MAYOR PAUL S. LEON • MAYOR PRO TEM ALAN D. WAPNER
COUNCIL MEMBERS JIM W. BOWMAN, DEBRA PORADA AND DAISY MACIAS

CITY CLERK SHEILA MAUTZ • TREASURER JAMES R. MILHISER
CITY MANAGER SCOTT OCHOA • CITY ATTORNEY RUBEN DURAN

WELCOME TO A MEETING OF THE ONTARIO CITY COUNCIL

All documents for public review are on file with the Records Management/City Clerk's Department located at 303 East B Street, Ontario, CA 91764.

Anyone wishing to speak in person during public comment or on a particular item will be required to fill out a blue slip. Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Clerk will not accept blue slips after that time.

To submit written public comments by email, please send your name, the agenda item you are commenting on, and your comments to publiccomments@ontarioca.gov. The public comment submission window opens at the time the agenda is published and remains open until 4:00 p.m. on the day of the meeting. All comments received during this timeframe will be forwarded to the City Council for consideration before action is taken on the matter and will be entered into the record.

Speakers will be alerted when they have 1 minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.

In accordance with State Law, remarks during public comment are to be limited to subjects within Council's jurisdiction. Remarks on other agenda items will be limited to those items.

Remarks from those seated or standing in the back of the chamber will not permitted. All those wishing to speak including Council and Staff need to be recognized by the Chair before speaking.

ACCOMMODATIONS

If you need special assistance or accommodations to participate in this meeting, please contact the City Clerk's office at 909-395-2009. Notification of 48 hours prior to the meeting will help the City make reasonable arrangements. Equipment for the hearing impaired is available in the Records Management Office.

ORDER OF BUSINESS

The regular City Council and Housing Authority and Ontario Public Financing Authority meeting begins with Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

CALL TO ORDER *(OPEN SESSION)*

ROLL CALL

Wapner, Bowman, Porada, Macias, Mayor/Chairman Leon

INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

Agenda item contractors, subcontractors and agents may require member abstentions due to conflict of interests and financial interests. Council Member abstentions shall be stated under this item for recordation on the appropriate item.

PLEDGE OF ALLEGIANCE

Council Member Bowman

INVOCATION

Pastor Sean Thurin, Calvary Chapel Ontario

SPECIAL CEREMONIES

RECOGNITION OF HISTORIC PRESERVATION MONTH IN THE CITY OF ONTARIO

That the City Council proclaim the month of May 2026 as Historic Preservation Month.

ATTACHMENT: 20260505 HP Month Proclamation.docx

PUBLIC COMMENTS 6:30 P.M.

The Public Comment portion of the Council/Housing Authority/Ontario Public Financing Authority meeting is limited to 30 minutes. An opportunity for further Public Comment may be given at the end of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

To comment by email, submit your comments by email no later than 4:00 p.m. on the day of the meeting by emailing your name, agenda item you are commenting on and your comment to publiccomments@ontarioca.gov. All Comments received by the deadline will be forwarded to the City Council for consideration before action is taken on the matter and entered into the record. As previously noted -- if you wish to address the Council, fill out one of the blue slips at the rear of the chambers and give it to the City Clerk.

AGENDA REVIEW/ANNOUNCEMENTS

The City Manager will go over all updated materials and correspondence received after the Agenda was distributed to ensure Council Members have received them. He will also make any necessary recommendations regarding Agenda modifications or announcements regarding Agenda items to be considered.

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below – there will be no separate discussion on these items prior to the time Council votes on them, unless a member of the Council requests a specific item be removed from the Consent Calendar for a separate vote.

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1. APPROVAL OF MINUTES

Minutes for the regular meetings of the City Council, Housing Authority and Ontario Public Financing Authority of April 7, 2026, and approving same as on file in the Records Management Department.

ATTACHMENT: 20260407 Meeting Minutes (Not Official Until Approved)

2. BILLS & PAYROLL

Bills April 3, 2026 through April 16, 2026, and Payroll March 22, 2026 through April 4, 2026.

3. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITY FOR DEVELOPMENT PLAN NO. PDEV22-015 LOCATED AT 201 EAST RIVERSIDE DRIVE

That the City Council adopt a Resolution approving an Improvement Agreement and Improvement Security for Project No. PDEV22-015, located at 201 East Riverside Drive.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN

IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITY FOR DEVELOPMENT PLAN NO. PDEV22-015 LOCATED AT 201 EAST RIVERSIDE DRIVE.

ATTACHMENT: Exhibit A_PDEV22-015.pdf
ATTACHMENT: Improvement Agreement_PDEV22-015.pdf
ATTACHMENT: File No. PDEV22_015_RESO_RM.

4. FY 2025-26 THIRD QUARTER BUDGET UPDATE

That the City Council approve the budget adjustments and recommendations as presented in the Fiscal Year 2025-26 Third Quarter Budget Update Report (Exhibit A).

ATTACHMENT: 1. FY 2025-26 Third Quarter Budget Update Report_EXHIBIT A.pdf

5. FIRST AMENDMENT TO A LEASE AGREEMENT BETWEEN SANTA CLAUS OF THE CHAFFEY DISTRICT, INC. AND THE CITY OF ONTARIO

That the City Council approve the First Amendment to the Lease Agreement between the Santa Claus of the Chaffey District, Inc., ("SCI"), as Lessee, and the City of Ontario, as Lessor, for use of certain City-owned property located at 1330 East "D" Street.

ATTACHMENT: Ontario - Santa Claus_ Lease First Amendment.docx

6. AN AMENDMENT TO THE SOFTWARE AS A SERVICE AGREEMENT WITH GRANICUS, LLC., FOR THE PEAK AGENDA MANAGEMENT, RENTAL ACTIVITY MONITORING, CLOUD COMMUNICATIONS, AND THE FREEDOM OF INFORMATION ACT MODULES

That the City Council authorize the City Manager or his designee to execute an Amendment No. 2 to the Software as a Service Agreement with Granicus, LLC., of St. Paul, Minnesota, for the use of the Peak Agenda Management, Rental Activity Monitoring, Cloud Communications, and the Freedom of Information Act (FOIA) modules in the amount not-to-exceed $485,367 and an additional one-year term.

ATTACHMENT: Amendment_2_Software PSA.doc.pdf

7. A RESOLUTION AUTHORIZING MEMBERSHIP IN THE SAN BERNARDINO REGIONAL HOUSING TRUST

That the City Council take the following actions:

A. Approve the admission of the City of Ontario to the San Bernardino Regional Housing Trust;
B. Adopt a Resolution to join the Joint Powers Authority Agreement; and
C. Appoint the Mayor or his designee to serve on the Board of Directors for the San Bernardino Regional Housing Trust.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING, AUTHORIZING, AND DIRECTING CITY EXECUTION OF THE JOINT EXERCISE OF POWERS AGREEMENT RELATING TO MEMBERSHIP IN THE SAN BERNARDINO REGIONAL HOUSING TRUST.

ATTACHMENT: SBRHT - JPA_Adoption - BBK Reviewed RESO^RM
ATTACHMENT: Exhibit A SBTHT JPA Agreement 3.11.2026.docx

8. AUTHORIZE THE PURCHASE AND INSTALLATION OF FURNITURE WITH INFO-COM BUSINESS PRODUCTS FOR THE ONTARIO SPORTS EMPIRE

That the City Council take the following actions:

A. Authorize a cooperative purchase agreement for D&C23-022 Ontario Sports Empire with Margaret C. Pett, Inc. DBA Info-Com Business Products (Info-Com), of Altadena, California, for the purchase and installation of furniture in the amount of $15,741,575 plus a 10% contingency of $1,574,158, for a total not-to-exceed contract amount of $17,315,733, consistent with the terms and conditions of the OMNIA Contract Number R240101; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but are not limited to agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: Margaret C. Pett, Inc. dba Info-Com Business Products-ONT Sports Empire.pdf

9. AWARD OF FOUR CONSTRUCTION CONTRACTS (STEEL, CONCRETE, SITE UTILITIES, ELECTRICAL) AND APPROVAL OF AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH RMA GROUP FOR THE FLIGHT TOWER RESTAURANT PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute four Construction Contracts to provide various construction services for Bid No. 1985 - D&C25-004 – Flight Tower Restaurant (Steel, Concrete, Site Utilities, Electrical) located at ONT Field, in the amount of $6,029,470 and authorize a combined contingency of $1,000,000 for a total not-to-exceed contract amount of $7,029,470,
    1. 02 – Structural Steel – KCB Towers, Inc.: $2,687,675
    2. 03 – Concrete – Pacific Southwest Structures, Inc.: $2,517,095
    3. 04 – Site Utilities – Continental Plumbing, Inc.: $425,000
    4. 05 - Electrical – Rancho Pacific Electric Construction, Inc.: $399,700; and
B. Reject the bid protest from RCCI DBA Ramirez Company for D&C25-004 – Flight Tower Restaurant (Steel, Concrete, Site Utilities, Electrical) as it is without merit; and
C. Authorize the extension of working hours to be Monday through Saturday from 6:00 am to 11:00 pm and on Sunday from 8:00 am to 6:00 pm for the duration of the construction of the Flight Tower Restaurant; and
D. Authorize the City Manager or his designee to execute Amendment No. 5 to the Professional Services Agreement with RMA Group, of Rancho Cucamonga, California to provide on-call geotechnical consulting, materials testing and special inspection for the Flight Tower Restaurant at ONT Field in the amount of $107,118 for a total not-to-exceed

contract amount of $5,643,363; and

E. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: KCB Towers, Inc. - FTR Structural Steel.pdf
ATTACHMENT: Pacific Southwest Structures, Inc. - FTR Concrete.pdf
ATTACHMENT: Continental Plumbing, Inc., FTR Site Utilities.pdf
ATTACHMENT: Rancho Pacific Electric Construction, Inc. - FTR Electrical.pdf
ATTACHMENT: Certerra RMA Group dba RMA Group, Amdt No. 5.pdf

10. A DESIGN SERVICES AGREEMENT WITH TETRA TECH INC. FOR 13TH STREET 1348 PRESSURE ZONE RESERVOIRS STRUCTURAL RETROFIT PROJECT

That the City Council authorize the City Manager, or designee, to execute a Design Services Agreement with Tetra Tech, Inc., of Irvine, California to provide Professional Design Services for the 13th Street 1348 Pressure Zone Reservoirs Structural Retrofit Project for an amount of $345,000, plus a 15% contingency of $51,750, for a total not-to-exceed amount of $396,750, and a term of May 5, 2026 to May 4, 2029.

ATTACHMENT: 13th St Reservoir Exhibit A.pdf
ATTACHMENT: 20260505 DSA with Tetra Tech Inc.^02 AGMT.pdf

11. A PROFESSIONAL SERVICES AGREEMENT WITH NV5 GEOSPATIAL, INC., FOR GEOGRAPHIC INFORMATION SYSTEM (GIS) UTILITY NETWORK MIGRATION, TRIMBLE UNITY MAINTAIN IMPLEMENTATION, AND ONGOING GIS SUPPORT SERVICES

That the City Council authorize the City Manager, or his designee, to execute a Professional Services Agreement with NV5 Geospatial, Inc., of Sheboygan Falls, Wisconsin, for the following services:

A. Implementation services to upgrade and migrate the City's Cityworks work order and asset management system to the Trimble Unity Maintain Implementation, a cloud-based Software-as-a-Service (SaaS) platform, in an amount not to exceed $196,750; and
B. Configuration and migration of potable water, recycled water, and sewer GIS data to the Utility Network framework, in an amount not to exceed $502,500; and
C. Ongoing management services and premier support services for the City's enterprise GIS environment, in an amount not to exceed $772,600 and a total contract amount not to exceed $1,619,035, which includes a 10 percent contingency of $147,185 for a five-year term.

ATTACHMENT: USE_NV5 Geospatial_ Inc. - PSA (BBK 11.26.25)(44414607.2)FINAL.pdf
ATTACHMENT: Exhibit A_Breakdown cost for Agenda.pdf

12. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH THIRTIETH STREET ARCHITECTS FOR THE DOWNTOWN MOBILITY HUB PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 9 to the Design Services Agreement with Thirtieth Street Architects, Inc., of Costa Mesa, California, for additional architectural services for the Downtown Mobility Hub Project in the amount of $50,000 for a total not-to-exceed contract amount of $1,334,900; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: Thirtieth Street Architects, Inc. - Amendment No. 9.pdf

13. A CONSTRUCTION CONTRACT WITH MCCARTHY BUILDING COMPANIES, INC. FOR DESIGN-BUILD CONSTRUCTION SERVICES FOR THE D-BLOCK PARKING STRUCTURE

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Construction Contract with McCarthy Building Companies, Inc., of Newport Beach, California, to provide design-build construction services for the D-Block Parking Structure in the amount of $24,711,514 and authorize a contingency of $2,471,151 for a total not-to-exceed contract amount of $27,182,665; and
Authorize the City Manager, or his designee, to execute all documents required for the completion of the project including which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: 2. McCarthy Contract - D-Block Parking Structure.pdf

14. ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIPS , AND EMERGENCY SOLUTIONS GRANT (ESG) PROGRAMS FOR FISCAL YEAR 2026-27

That the City Council take the following actions:

A. Approve the One-Year Action Plan for Fiscal Year 2026-27 for the Community Development Block Grant (CDBG), HOME Investment Partnerships, and Emergency Solutions Grant (ESG) Programs (on file in the Records Management Department);
B. Direct Staff to prepare and transmit the final documents to the U.S. Department of Housing and Urban Development (HUD); and
C. Authorize the City Manager, or his designee, to take all actions necessary or desirable to implement the One-Year Action Plan for Fiscal Year 2026-27 and Subrecipient Agreements.

ATTACHMENT: Fiscal Year 2026-27 Estimated Funding Allocation Summary.pdf

ATTACHMENT: FY26-27 One-Year Action Plan.pdf

PUBLIC HEARINGS

Pursuant to Government Code Section 65009, if you challenge the City's zoning, planning or any other decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the public hearing. Affidavits of posting compliance, for all items below, are on file with the Records Management Department.

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15. RESOLUTIONS AUTHORIZING THE ISSUANCE OF LEASE REVENUE BONDS, SERIES 2026C (FEDERALLY TAXABLE) AND 2026D (TAX-EXEMPT) AND RELATED MATTERS

That the City Council and the Ontario Public Financing Authority hold public hearing and the take the following actions:

A. The City Council consider and adopt a Resolution authorizing the execution and delivery of a Ground Lease, Lease Agreement, Indenture, Bond Purchase Agreement, and Continuing Disclosure Certificate in connection with the issuance and sale of the Lease Revenue Bonds by the Ontario Public Financing Authority in an aggregate principal amount of not to exceed $330 million and authorizing the distribution of an Official Statement in connection with the offering and sale of the Bonds and authorizing the execution and delivery of necessary documents in connection therewith.
B. The Ontario Public Financing Authority consider and adopt a Resolution authorizing the execution and delivery of a Ground Lease, Lease Agreement, Indenture, Bond Purchase Agreement, and Assignment Agreement in connection with the issuance and sale of its Lease Revenue Bonds in an aggregate principal amount of not to exceed $330 million and authorizing the distribution of an Official Statement in connection with the offering and sale of the Bonds and authorizing the execution and delivery of necessary documents in connection therewith.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE, LEASE AGREEMENT, INDENTURE, BOND PURCHASE CONTRACT AND CONTINUING DISCLOSURE CERTIFICATE IN CONNECTION WITH THE ISSUANCE OF ONTARIO PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, APPROVING THE ISSUANCE OF SUCH BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $330,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

A RESOLUTION OF THE ONTARIO PUBLIC FINANCING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF A GROUND LEASE, LEASE AGREEMENT, INDENTURE, BOND PURCHASE CONTRACT AND ASSIGNMENT AGREEMENT IN CONNECTION WITH THE ISSUANCE OF ONTARIO PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, AUTHORIZING THE ISSUANCE OF SUCH BONDS IN ONE

OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $330,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

ATTACHMENT: 2026CD Lease Revenue Bonds Approval to Issue Bonds 01_CITY_RESO_RM
ATTACHMENT: 2026 CD Lease Revenue Bonds Approval to Issue Bonds 02 OPFA RESO_RM
ATTACHMENT: 2026CD Lease Revenue Bonds^03 Ground Lease.pdf
ATTACHMENT: 2026CD Lease Revenue Bonds^04 Lease Agreement.pdf
ATTACHMENT: 2026CD Lease Revenue Bonds^05 Indenture.pdf
ATTACHMENT: 2026CD Lease Revenue Bonds^06 Bond Purchase Agreement.pdf
ATTACHMENT: 2026CD Lease Revenue Bonds^07 Assignment Agreement.pdf
ATTACHMENT: 2026CD Lease Revenue Bonds^08 Form of Continuing Disclosure Certificate.pdf
ATTACHMENT: 2026CD Lease Revenue Bonds_09 Preliminary Official Statement.pdf

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

Mayor Leon
Mayor pro Tem Wapner
Council Member Bowman
Council Member Porada
Council Member Macias

ADJOURNMENT

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **SPECIAL CEREMONIES**
Department: Planning Prepared By: Diane Ayala Department: Prepared By: Diane Ayala Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Reviewed By: David Eoff IV, Henry Noh Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No:

SUBJECT: RECOGNITION OF HISTORIC PRESERVATION MONTH IN THE CITY OF ONTARIO

RECOMMENDATION: That the City Council proclaim the month of May 2026 as Historic Preservation Month.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

FISCAL IMPACT: There is not a direct fiscal impact associated with this action.

BACKGROUND & ANALYSIS: Since 1971, the National Trust for Historic Preservation has conducted nationwide campaigns to celebrate historical places and showcase preservation activities. In 2005, the National Trust began designating the month of May as Historic Preservation Month. The goals of Historic Preservation Month are to promote historical places for the purpose of instilling national and community pride, promoting heritage tourism, and showcasing the social and economic benefits of historic preservation. This year, the City is celebrating Historic Preservation Month by continuing the “Model Colony” Awards program and presentation. The awards ceremony will be held at a City Council meeting in June.

This year’s theme for Historic Preservation Month and the Model Colony Awards is "Past Meets Possible: Reimagining Place and Purpose." This serves as a guiding framework for viewing our community's historic resources not as static relics of a bygone era, but as vital, dynamic assets that are uniquely capable of addressing contemporary urban needs and economic demands. Historic preservation functions as a highly effective mechanism for managing growth and revitalizing local neighborhoods. By protecting our existing structures, we maintain the unique "sense of place" and character that defines our community’s identity and fosters deep-seated local pride. A central component of this identity is the continued stewardship of historic houses. Private homeowners act as the frontline guardians of our shared history, maintaining what are essentially living museums.

This individual commitment to preservation ensures that the architectural narratives lining our streets remain intact for future generations while providing stable, character-rich housing for modern families.

Adaptive reuse of historic buildings is a primary strategy for sustainable urban development by repurposing existing structures to meet modern needs, which effectively bridges the gap between historical preservation and future growth. This process breathes new life into underutilized buildings, transforming them into vibrant residential units, workspaces, or cultural hubs that revitalize neighborhoods without the need for destructive demolition. Beyond environmental benefits, it fosters a sense of community identity by preserving architectural heritage while offering practical solutions to modern challenges like housing shortages and urban sprawl.

Furthermore, the integration of historic assets into broader urban revitalization efforts serves as a powerful engine for economic development. Successful preservation programs stimulate local economies by increasing property values and attracting heritage tourism. These efforts create a self-sustaining cycle where the protection of a community's aesthetic and historical integrity draws investment and visitors alike. By prioritizing flexible and creative design solutions, we ensure that the craftsmanship of previous generations remains relevant. This strategic alignment of preservation with modern economic realities allows our architectural legacy to continue serving as a source of inspiration and utility for the generations of tomorrow.

PROCLAMATION

WHEREAS, "Past Meets Possible: Reimagining Place and Purpose," is the theme for Historic Preservation Month 2026, sponsored by the City of Ontario; and

WHEREAS, the City's character and history are reflected in its cultural, historical, and architectural heritage with an emphasis on the "Model Colony" as declared by an Act of the Congress of the United States in 1903 and presented at the St. Louis World's Fair in 1904; and

WHEREAS, the City's historical foundation should be preserved and promoted in order to foster an understanding of the City's past, and provide future generations the opportunity to appreciate, enjoy, and understand Ontario's rich heritage; and

WHEREAS, historic preservation is an effective tool for managing smart growth, revitalizing neighborhoods, fostering local pride and maintaining community character while enhancing livability; and

WHEREAS, historic preservation is relevant for communities across the nation, both urban and rural, and for Americans of all ages, all walks of life and all ethnic backgrounds; and

WHEREAS, it is important to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped us as a people; and

WHEREAS, historic preservation provides an opportunity for the citizens of Ontario to be involved in the community and participate in the revitalization of the City; and

WHEREAS, HISTORIC PRESERVATION MONTH provides an opportunity to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped us as a people; and

WHEREAS, May 2026, has been proclaimed HISTORIC PRESERVATION MONTH in the United States; and

NOW, THEREFORE, the City of Ontario, its City Council and staff members do declare the month of May 2026 as

HISTORIC PRESERVATION MONTH

Given this 5th day of May, 2026, by the Ontario City Council

Paul S. Leon, Mayor
Alan D. Wapner, Mayor Pro Tem
Jim W. Bowman
Debra Porada
Daisy Macias
Council Members

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY/
ONTARIO PUBLIC FINANCE AUTHORITY
MINUTES
APRIL 7, 2026
(Not Official Until Approved)

JOINT MEETINGS

The regular meetings of the Ontario City Council, Housing Authority, and Public Finance Authority were held on Tuesday, April 7, 2026, at Ontario City Hall, 303 E. B Street Ontario, California.

OPEN MEETING CALLED TO ORDER

Mayor Leon called the joint meetings to order at 6:02 p.m.

ROLL CALL

PRESENT:	Mayor/Chairman:	Paul S. Leon
	Mayor pro Tem/Vice Chair:	Alan D. Wapner
	Council/Authority Members:	Jim W. Bowman, Debra Porada, and Daisy Macias
ABSENT:	Council/Authority Members:	None

Also present were City Manager / Executive Director Scott Ochoa, City Attorney/Legal Counsel Ruben Duran, and City Clerk / Secretary Sheila Mautz.

INFORMATION RELATIVE TO POSSIBLE CONFLICTS OF INTEREST

Although there was no legal conflict, Mayor pro Tem Wapner recused himself from the Closed Session conference with real property negotiators concerning the Ontario International Airport Authority out of an abundance of caution.

CLOSED SESSION

Mayor Leon inquired whether persons were present who wished to speak to the Closed Session items. Hearing no one, City Attorney Duran announced the matters for discussion as listed on the agenda. Mayor Leon recessed to Closed Session at 6:05 p.m.

GC 54956.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
Anthony Robert Phoenix v. Toyota Arena, LLC et al CACD Case No. 8:23-cv-02403

GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN's: 1049-161-01, 1049-161-24, 1049-161-25, 1049-171-05, 1049-171-06, 1049-171-07; West Side of South Grove Avenue, South of East State Street, East of Cucamonga Avenue; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: Ontario International Airport Authority; Under negotiation: Price and terms of payment.

OPEN MEETING CALLED TO ORDER

Mayor Leon reconvened the meetings at 6:38 p.m. for the regular session.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Macias.

INVOCATION

Invocation was led by Pastor Narcissis Tucker-Bishop from Westminster Presbyterian Church.

REPORT ON CLOSED SESSION

City Attorney Duran announced there was no reportable action.

PUBLIC COMMENT

Assistant City Clerk Isbell announced written communications:
Lory Masonis submitted questions regarding Agenda Item Nos. 8, 9, 12, and 13.

Mayor Leon called upon the speakers:
Tina Silva, gave a land acknowledgement and spoke regarding Immigration and Customs Enforcement concerns.
Priscilla, spoke regarding Immigration and Customs Enforcement concerns.
Chris Robles, spoke regarding Jay Littleton Ballpark.
Melinda Boss, spoke regarding Jay Littleton Ballpark.
Kizzee, spoke regarding the Grove Plaza and Jay Littleton Ballpark.
Gary Littleton, requested the restoration of Jay Littleton Ballpark.
Karen Haughey, announced upcoming events on behalf of San Bernardino County Supervisor Curt Hagman's office.
Marty McBride, spoke regarding Jay Littleton Ballpark.
Randy Bekendam, spoke regarding healthy eating and active living.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa requested to pull Agenda Item No. 12.

CONSENT CALENDAR

Public Comment:
Mayor Leon called upon the speakers:
Chris Robles, spoke in opposition to Item No. 13.
Randy Bekendam, spoke in opposition to Item No. 13.

MOTION: Moved by Council Member Porada, seconded by Council Member Macias and carried by a unanimous vote of 5-0, to approve the Consent Calendar, without Item No. 12.

1. APPROVAL OF MINUTES

Approved minutes for the regular meetings of the City Council and Housing Authority of March 3, 2026, and approving same as on file in the Records Management Department.

2. BILLS & PAYROLL

Approved Bills February 27, 2026 through March 19, 2026, in the amount of $69,598,961.15 and Payroll February 8, 2026 through March 7, 2026, in the amount of $13,393,792.52.

3. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH FEHR & PEERS FOR ON-CALL TRANSPORTATION PLANNING AND TRAFFIC ENGINEERING DESIGN SERVICES

The City Council authorized the City Manager, or his designee, to execute Amendment No. 1 to the Design Services Agreement with Fehr & Peers, of Irvine, California, to provide On-Call Transportation Planning and Traffic Engineering Design Services for phase two of the Ontario Community Circulator Transit Planning Study Project in the amount of $64,243 plus a 10% contingency of $6,424 for a total not-to-exceed contract amount of $670,635.

4. A CONSTRUCTION CONTRACT WITH PAVEMENT REHAB COMPANY FOR THE 2026 SPRING CDBG MAINTENANCE SLURRY SEAL AND PAVEMENT MANAGEMENT PROJECT

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute a Construction Contract with Pavement Rehab Company, of Anaheim, California, for the 2026 Spring CDBG Maintenance Slurry Seal and Pavement Management Project in the amount of $663,000, plus a 10% contingency of $66,300 for a total not-to-exceed contract amount of $729,300; and
B. Authorized the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but is not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

5. AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT (FILE NO. PDA21-009) BETWEEN THE CITY OF ONTARIO AND WEST HAVEN 27, LLC.

The City Council adopted an Ordinance approving a Development Agreement (File No. PDA21-009) between the City of Ontario and West Haven 27, LLC. First reading and introduction took place at the regular meeting of March 17, 2026.

ORDINANCE NO. 3330 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECOMMENDING CITY COUNCIL APPROVE FILE NO. PDA21-009, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND WEST HAVEN 27, LLC TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE TRACT MAP 20696 (FILE NO. PMTT24-003), LOCATED AT THE SOUTHWEST CORNER OF RIVERSIDE DRIVE AND HAVEN AVENUE, WITHIN PLANNING AREA 1 OF THE WEST HAVEN SPECIFIC PLAN (APN: 0218-151-48).

6. AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT (FILE NO. PDA25-005) BETWEEN THE CITY OF ONTARIO, LEGACY LAND PARTNERS, LLC AND RICHLAND ONTARIO DEVELOPERS, LLC

The City Council adopted an Ordinance approving a Development Agreement (File No. PDA25-005) between the City of Ontario and Legacy Land Partners, LLC. First reading and introduction took place at the regular meeting of March 17, 2026.

ORDINANCE NO. 3331 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECOMMENDING CITY COUNCIL APPROVE FILE NO. PDA25-005, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO, LEGACY LAND PARTNERS LLC, AND RICHLAND ONTARIO DEVELOPERS LLC TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE PARCEL MAP NO. 20792 (FILE NO. PMTT24-001), LOCATED ON THE SOUTHWEST CORNER OF ONTARIO RANCH ROAD AND MILL CREEK AVENUE WITHIN PLANNING AREA 5B OF THE RICH HAVEN SPECIFIC PLAN (APN: 0218-211-43).

7. ACCEPT WRITTEN PETITIONS TO CREATE A COMMUNITY FACILITIES DISTRICT; ADOPT A RESOLUTION OF INTENTION TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 77 (THE RESORT AT ONTARIO RANCH FACILITIES) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES; AND ADOPT A RESOLUTION DECLARING IT NECESSARY TO INCUR BONDED INDEBTEDNESS

The City Council took the following actions:

A. Accepted written petitions (on file with the Records Management Department) from SL Ontario Development Company, LLC (SLODC), Richmond American Homes of Maryland, Inc. and TRI-Pointe Homes Holdings, Inc. ("Landowners"), to create a Community Facilities District ("CFD") and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982;
B. Adopted a Resolution of Intention to establish City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities), authorize the associated levy of special taxes therein; and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, May 19, 2026; and

C. Adopted a Resolution Declaring it Necessary for the City of Ontario Facilities District No. 77 (The Resort at Ontario Ranch Facilities) to Incur Bonded Indebtedness.

RESOLUTION NO. 2026-018 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 77 (THE RESORT AT ONTARIO RANCH FACILITIES) AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX THEREIN.

RESOLUTION NO. 2026-019 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING IT NECESSARY FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 77 (THE RESORT AT ONTARIO RANCH FACILITIES) TO INCUR BONDED INDEBTEDNESS.

8. A RESOLUTION AUTHORIZING SUBMITTAL OF CLAIMS TO THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY FOR THE 2025 TRANSPORTATION DEVELOPMENT ACT, ARTICLE 3 BICYCLE AND PEDESTRIAN FACILITIES PROGRAM AND TRANSIT STOP ACCESS PROGRAM

The City Council took the following actions:

A. Adopted a Resolution approving the submittal of claims to the San Bernardino County Transportation Authority (SBCTA) for the 2025 Transportation Development Act (TDA) Article 3 Bicycle and Pedestrian Facilities Program Funds in the amount of $746,738 for the Downtown Euclid Avenue Corridor Project, and the Transit Stop Access Program Funds in the amount of $82,335 for the Bus Stop Improvements Project; and
B. Authorized the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

RESOLUTION NO. 2026-020 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING SUBMITTAL OF CLAIMS TO THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY FOR TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUNDS FOR THE DOWNTOWN EUCLID AVENUE CORRIDOR PROJECT AND BUS STOP IMPROVEMENT PROJECT.

9. A RESOLUTION APPROVING THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY MEASURE I 3.0 PLAN

The City Council adopted a Resolution approving the San Bernardino County Transportation Authority Measure I 3.0 Expenditure Plan.

RESOLUTION NO. 2026-021 A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE EXPENDITURE PLAN FOR THE EXPENDITURE OF REVENUES IN SAN BERNARDINO COUNTY EXPECTED TO BE DERIVED FROM THE PROPOSED CONTINUATION OF MEASURE I.

10. A CONSTRUCTION CONTRACT WITH PACIFIC HYDROTECH, CO., FOR THE DESIGN-BUILD ON-SITE SODIUM HYPOCHLORITE GENERATION (OSG) - PHASE I IMPROVEMENT PROJECT AND AN AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH AKM CONSULTING ENGINEERS, INC., FOR ON-CALL PROJECT MANAGEMENT SERVICES

The City Council took the following actions:

A. Approved the plans and specifications and awarded a Construction Contract with Pacific Hydrotech, Co., of Perris, California, for the Design-Build On-site Sodium Hypochlorite Generation (OSG) - Phase I Improvement Project in the amount of $7,746,900 plus a 15% contingency of $1,162,035, for a total not-to-exceed amount of $8,908,935 and a term of 28 months after issuance of notice to proceed, and authorized the City Manager, or designee, to execute all documents required for the completion of the project including, but not limited to agreements, assessments, easements, lot line adjustments, reduction of retention accounts, contracts and contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction related activities to the project.
B. Authorized the City Manager, or designee, to execute Amendment No. 2 to the Professional Services Agreement for On-Call Project Management Services with AKM Consulting Engineers, Inc., of Irvine, California, for construction management, and inspection services for the Design-Build On-site Sodium Hypochlorite Generation (OSG) - Phase I Improvement Project, in the amount of $1,116,752 and extend the term of the Agreement from June 4, 2024 to June 4, 2029.

11. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH ARDURRA GROUP, INC., FOR THE WESTERN TRUNK SEWER PROJECT

The City Council authorized the City Manager, or his designee, to execute Amendment No. 4 to the Design Services Agreement with Ardurra Group, Inc., (Ardurra) of Newport Beach, California, to provide on-call design services for the Western Trunk Sewer Project in the amount of $2,066,021 for a new total revised not-to-exceed amount of $5,112,075 and a term from June 4, 2024 to June 4, 2029.

12. A RESOLUTION AUTHORIZING MEMBERSHIP IN THE SAN BERNARDINO REGIONAL HOUSING TRUST

This item was pulled.

13. APPROVAL OF THE CENTERPARK SPECIFIC PLAN (FILE NO. PSP24-002)

The City Council adopted an Ordinance approving the CenterPark Specific Plan (File No. PSP24-002), appended to the attached Ordinance as "Attachment A", pursuant to the facts and reasons contained in the staff report and subject to the conditions of approval appended to the attached Ordinance as "Attachment B". Introduction and first reading took place at the regular meeting of March 17, 2026.

ORDINANCE NO. 3332 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING, PURSUANT TO THE CERTIFIED FOCUSED ENVIRONMENTAL IMPACT REPORT (STATE CLEARINGHOUSE NO. 2025060731) FOR THE CENTERPARK SPECIFIC PLAN, THE CENTERPARK SPECIFIC PLAN (FILE NO. PSP24-002), TO ESTABLISH THE LAND USE DISTRICTS, DEVELOPMENT STANDARDS, DESIGN GUIDELINES, AND INFRASTRUCTURE IMPROVEMENTS FOR THE POTENTIAL DEVELOPMENT OF UP TO 4,293 RESIDENTIAL DWELLING UNITS, 115,809 SQUARE FEET OF RETAIL USES, 135,110 SQUARE FEET OF OFFICE USES, AND 68 ACRES OF OPEN SPACE (PARKLAND/NON-RECREATIONAL USES) ON APPROXIMATELY 258 ACRES OF LAND AND MAKING FINDINGS IN SUPPORT THEREOF – APNS: 1053-301-01, -02, 1053-311-01, -02, 1053-321-01, -02, -03, 1053-331-01, -02, -03, -04, 1053-341-01, -02; 1053-351-01, -02, 1053-361-01, - 02, -03, 1053-371-01, -02, 0216-311-01, -02, -09, 0216-321-03, -08, 0216-322-03, -04, -10.

14. A REIMBURSEMENT AGREEMENT FOR CERTAIN IMPROVEMENTS BETWEEN THE CITY OF ONTARIO AND ADEPT DEVELOPMENT LLC

The City Council adopted a Resolution authorizing the City Manager or Designee to Negotiate a Reimbursement Agreement ("Agreement") between the City of Ontario ("City") and Adept Development, Inc. ("Developer"), and authorized the City Manager to execute the Agreement and all other documents required for implementation of the Agreement.

RESOLUTION NO. 2026-023 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND OTC LOT A OWNER, LLC, FOR COSTS ASSOCIATED WITH THE CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS.

PUBLIC HEARINGS

15. A PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDING CHAPTER 8B OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATED TO WATER SERVICE FEES

The City Council introduced and waived further reading of an Ordinance amending Chapter 8B of Title 6 of the Ontario Municipal Code related to water service fees.

ORDINANCE NO. 3333 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTION 6-8.51 OF CHAPTER 8B OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE PERTAINING TO WATER SERVICE FEES AND FINDING THAT SUCH ACTION DOES NOT QUALIFY AS A PROJECT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT UNDER STATE CEQA GUIDELINES SECTION 15378 AND IS OTHERWISE EXEMPT FROM CEQA UNDER STATE CEQA GUIDELINES SECTION 15061(B)(3).

Notice of public hearing was duly given and affidavits of compliance are on file in the Records Management Department. There were no written communications.

Mayor Leon opened the public hearing and called on the speaker, Chris Robles, who spoke in opposition. Hearing no one else, Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Council Member Bowman, seconded by Council Member Porada and carried by a unanimous vote of 5-0, to introduce Ordinance No. 3333.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

16. REFINANCING PLAN FOR PROPERTY OWNED BY THE CITY OF ONTARIO LOCATED AT 9155-9381 EAST RIVERSIDE DRIVE AND APPROVAL OF RELATED LEASE FINANCING OBLIGATION

The City Council authorized the City Manager, or his designee, to execute all documents required for the completion of the lease-leaseback financing within the authorization limits and adopt a Resolution approving:

A. The refinancing of real property owned by the City of Ontario (“City”) located at 9155-9381 East Riverside Drive through the delivery of a lease financing obligation; and
B. The Lease Agreement (“Lease Agreement”) between the City and the Ontario Public Finance Authority (“Authority”); and
C. The Site Lease (“Site Lease”) between the City and the Authority; and
D. All necessary action and documents required to be delivered pursuant to the Lease Agreement and/or Site Lease, including without limitation the Assignment Agreement (“Assignment Agreement”).

The Authority authorized the Executive Director or Chief Financial Officer, or their designee, to execute all documents required for the completion of the lease financing within the authorization limits and adopt a Resolution approving:

A. The refinancing of real property owned by the City located at 9155-9381 East Riverside Drive through the delivery of a lease financing obligation; and
B. The Lease Agreement between the City and the Authority; and
C. The Site Lease between the City and the Authority; and
D. The Assignment Agreement among the Authority, the City, and the Purchasing Funds.

RESOLUTION NO. 2026-024 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING EXECUTION AND DELIVERY OF A SITE LEASE, A LEASE AGREEMENT, AND OTHER RELATED DOCUMENTS IN CONNECTION WITH ENTERING INTO A LEASE OBLIGATION THROUGH A LEASE FINANCING ARRANGEMENT WITH THE ONTARIO PUBLIC FINANCING AUTHORITY AND CERTAIN OTHER ACTIONS RELATING THERETO.

RESOLUTION NO. OPFA-016 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ONTARIO PUBLIC FINANCING AUTHORITY, OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING EXECUTION AND DELIVERY OF A SITE LEASE, A LEASE AGREEMENT, AND OTHER RELATED DOCUMENTS IN CONNECTION WITH THE REFINANCING OF EXISTING OBLIGATIONS OF THE CITY AND CERTAIN FUNDS OF THE CITY PROVIDING INTERIM FINANCING, AND CERTAIN OTHER ACTIONS RELATING THERETO.

There were no written communications to the item. Mayor Leon inquired whether persons were present who wished to speak to the item. Hearing no one, Mayor Leon opened the item for Council discussion.

MOTION: Motion made by Council Member Bowman, seconded by Council Member Porada, and carried by a unanimous vote of 5-0, to adopt Resolution Nos. 2026-024 and OPFA-016.

STAFF MATTERS

City Manager Ochoa had no updates.

COUNCIL MATTERS

Council Member Porada had no comments.

Mayor pro Tem Wapner had no comments.

Council Member Macias had no comments.

Council Member Bowman commented on opening day for Tower Buzzers baseball at ONT Field and recognized the Fire Department for their response to a recent industrial fire.

Mayor Leon commented on opening day for Tower Buzzers baseball at ONT Field.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 7:26 p.m.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Yesenia Lopez Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Bonnie Tam, Khoi Do, Blaine M Ishii Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 3

SUBJECT: **A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITY FOR DEVELOPMENT PLAN NO. PDEV22-015 LOCATED AT 201 EAST RIVERSIDE DRIVE**

RECOMMENDATION: That the City Council adopt a Resolution approving an Improvement Agreement and Improvement Security for Project No. PDEV22-015, located at 201 East Riverside Drive.

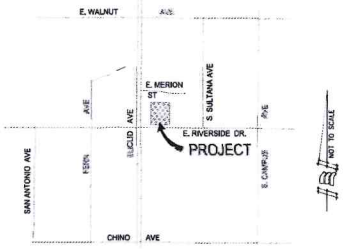
THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: There is no direct fiscal impact associated with this action. All public infrastructure improvements required for this project will be constructed by the developer at its sole cost.

BACKGROUND & ANALYSIS: Development Plan No. PDEV22-015, consisting of a 125,000-square foot storage facility on 2.73 acres of land, as shown on Exhibit A, has been submitted by the developer, Riverside Storage, LLC. This Project was approved by the Planning Commission on April 23, 2024. Improvements will include paving, curb and gutter, pathways, storm drains, sanitary sewers, utilities, drainage facilities, landscaping, and streetlights. The developer has entered into an Improvement Agreement with the City for this Project and has posted adequate security to ensure construction of the required improvements. This Project meets all conditions of the Ontario Municipal Code and has been reviewed and approved by the City Engineer.

EXHIBIT A

201 E Riverside Dr, City of Ontario, CA



VICINITY MAP

SCALE 1" = 60'

SCALE IN FEET

0 60 120 180 240

PREPARED BY:
MADOLE & ASSOCIATES, INC.
Engineering Communities for Life
9302 PITTSBURGH AVE, SUITE 230
RANCHO CUCAMONGA, CA 91730
PHONE: 909-481-5920
FAX: 909-481-5930

PREPARED FOR:
RIVERSIDE STORAGE, LLC
1717 N. WATERFRONT
WICHITA, KS 67206

PROJECT	SELF STORAGE 201 E. RIVERSIDE DRIVE ONTARIO, CALIFORNIA
DRAWING CONTENTS	SITE UTILIZATION MAP

DRAWN BY	DATE
A.M.	4/26/2022

JOB NO. 771-2026

DRAWING NO
SUM-01

SHEET 1 OF 1 SHEETS

`RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:

City of Ontario
303 E. B St.
Ontario, CA 91764
Attn: City Engineer

(Exempt from Filing Fees – Government Code § 6103)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

AGREEMENT FOR COMPLETION OF PUBLIC IMPROVEMENTS BETWEEN THE CITY OF ONTARIO AND RIVERSIDE STORAGE, LLC

1. PARTIES AND DATE.

This Agreement for Completion of Public Improvements ("Agreement") is entered into as of this __ day of _____, 20__ by and between the **City of Ontario**, a municipal corporation (hereinafter referred to as "City") and Riverside Storage, LLC with its principal office located at 1717 N. Waterfront, Wichita, Kansas 67206 (hereinafter referred to as "Developer"). City and Developer are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

2. RECITALS.

2.1 Developer's owns real property located within City, a legal description of which is attached hereto as Exhibit "A" ("Property"), was approved in accordance with the Ontario Development Code on April 23, 2024 to allow a 3-story, climate-controlled, self-storage facility. ("Project")

2.2 Developer is the owner of Property, and Developer proposes to do and perform certain work of improvement thereon as set forth in this Agreement.

2.3 Developer has not completed all of the work or made all of the public improvements required by Chapter 2 of Title 9 of the City of Ontario Municipal Code, or such other ordinances, resolutions or policies of the City requiring construction of improvements in conjunction with City entitlements (hereinafter collectively referred to as "City Ordinances") or

by conditions to the approval of PDEV22-015 ("Project Entitlements") in accordance with the City Ordinances.

2.4 Developer and City desire to enter into this Agreement for the timely construction and completion of the public improvements and the furnishing of security acceptable to the City Engineer and City Attorney.

3. TERMS.

3.1 Effectiveness. This Agreement shall not be effective unless and until all three of the following conditions are satisfied: (a) Developer provides City with security of the type and in the amounts required by this Agreement; (b) Developer executes and records this Agreement in the Recorder's Office of the County of San Bernardino; and (c) the approving body per the Ontario Development Code approves the "Project Entitlements" for the Property. If any of the above described conditions are not satisfied, this Agreement shall automatically terminate without need of further action by either City or Developer, and Developer may not thereafter proceed with the Project Entitlements without modification to the Project Entitlements.

3.2 Public Improvements. Developer shall construct or have constructed at its own cost, expense, and liability all roads, curbing, pavement and other improvements required by the City as part of the approval of Project Entitlements, including, but not limited to, the following: all grading, roads, paving, curbs and gutters, pathways, storm drains, sanitary sewers, utilities, drainage facilities, traffic controls, landscaping, street lights, and all other required facilities as shown in detail on the plans, profiles, and specifications which have been prepared by or on behalf of Developer (hereinafter referred to as the "Public Improvements"). The Public Improvements are more specifically described in Exhibit "B" attached hereto and incorporated herein by this reference. Construction of the Public Improvements shall include any transitions and/or other incidental work deemed necessary for drainage or public safety. Developer shall be responsible for the replacement, relocation, or removal of any component of any utility system or public improvement in conflict with the construction or installation of the Public Improvements. Such replacement, relocation, or removal shall be performed to the complete satisfaction of the City Engineer and the owner of such utility system or public improvement. Developer further promises and agrees to provide all equipment, tools, materials, labor, tests, design work, and engineering services necessary or as required by the City to fully and adequately complete the Public Improvements.

3.3 Partially Completed Public Improvements. Where construction of any Public Improvements has been partially completed prior to this Agreement, Developer agrees to complete such Public Improvements or assure their completion in accordance with this Agreement.

3.4 Pre-approval of Plans and Specifications. Developer is prohibited from commencing work on any Public Improvement until all plans, specifications, estimates, and bonds for such Public Improvement have been submitted to and approved by the City Engineer, or his/her authorized designee. Approval by the City Engineer shall not relieve Developer from ensuring that all Public Improvements conform with all other requirements and standards set forth in this Agreement.

3.5 Quality of Work. The Public Improvements shall be constructed and installed pursuant to City review and approval. The construction plans and specifications for the Public Improvements shall be prepared in accordance with all applicable federal, state and local laws, ordinances, regulations and other requirements. In addition, the Public Improvements shall be completed in accordance with all approved maps, plans, specifications, standard drawings and special amendments thereto on file with City, as well as all applicable federal, state and local laws, ordinances, regulations and other requirements. It is understood and agreed that all work and improvements done pursuant to this Agreement shall conform to the standards applicable at the time work is actually commenced.

3.6 Standard of Performance. Developer and its contractors, if any, shall perform all work required to construct the Public Improvements under this Agreement in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Developer represents and maintains that it or its contractors shall be skilled in the professional calling necessary to perform the work. Developer warrants that all of its employees and contractors shall have sufficient skill and experience to perform the work assigned to them, and that they shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the work, and that such licenses, permits, qualifications and approvals shall be maintained throughout the term of this Agreement.

3.7 Alterations to Improvements; Notice to Surety. The Public Improvements in Exhibit "B" are understood to be only a general designation of the work and improvements to be done, and not a binding description thereof. All work shall be done and improvements made and completed as shown on approved plans and specifications, and any subsequent alterations thereto. If during the course of construction and installation of the Public Improvements it is determined that the public interest requires alterations in the Public Improvements, Developer shall undertake such design and construction changes as may be reasonably required by City. Any and all alterations in the plans and specifications and the Public Improvements to be completed may be accomplished without giving prior notice thereof to Developer's surety for this Agreement.

3.8 Superintendence by Developer. Developer shall require each contractor and subcontractor to have a competent foreperson on the job at all times when that contractor or subcontractor, or any employee or agent thereof, is performing work on the Public Improvements. Before starting work on the Public Improvements, each contractor and subcontractor shall submit in writing the name of the proposed foreperson, who shall be subject to the review and approval of City. Following approval by City, each foreperson shall be present at the work site at all times that any work is in progress and at any time that any employee of the contractor or subcontractor is present at the work site. The Developer shall employ a competent construction manager that is responsible for the entire work. Each contractor or subcontractor shall contractually report to the construction manager, either directly or through a subcontract. The construction manager shall be immediately available by phone during hours when construction is in progress and shall be available in person within two hours when requested by the City. The construction manager shall coordinate the work such that construction and the associated inspection happen in an efficient manner. Should a contractor or subcontractor desire to change its foreperson, it shall provide the information specified above and obtain City's prior written approval. City, in its sole and absolute discretion, may require any contractor or

subcontractor to replace its foreperson provided that City gives the contractor or subcontractor at least forty-eight hours written notice.

Developer shall, at all times, enforce strict discipline and good order among its employees and those of its subcontractors and shall not employ any unfit person or anyone not skilled in the assigned task. If any person employed by, the Developer, a contractor or subcontractor fails or refuses to carry out the directions of the City or appears to the City, in its sole and absolute discretion, to be incompetent or to act in a disorderly or improper manner, such person shall be removed from the project immediately upon request by the City, and such person shall not again be employed on the work. Such removal shall not be the basis for any claim of compensation or damages against the City.

In addition, Developer shall maintain an office with a telephone, and Developer or a person authorized to make decisions and to act on Developer's behalf in Developer's absence shall be available to be on the job within three (3) hours of being called at such office by the City, during the hours of 9:00 a.m. through 5:00 p.m., Monday through Friday, or any other day or time when work is being performed on the Public Improvements. Developer shall also provide City with a telephone number, at which Developer, or its representative, shall be available twenty-four (24) hours a day in the event of an emergency.

3.9 Maintenance of Public Improvements and Landscaping. City shall not be responsible or liable for the maintenance or care of the Public Improvements until City approves and accepts them. City shall exercise no control over the Public Improvements until accepted. Any use by any person of the Public Improvements, or any portion thereof, shall be at the sole and exclusive risk of Developer at all times prior to City's acceptance of the Public Improvements. Developer shall maintain all the Public Improvements in a state of good repair until they are completed by Developer and approved and accepted by City, and until the security for the performance of this Agreement is released.

Maintenance shall include, but shall not be limited to, repair of pavement, curbs, gutters, sidewalks, street trees, signals, parkways, water mains and sewers; maintaining all landscaping in a vigorous and thriving condition reasonably acceptable to City; removal of debris from sewers and storm drains; and sweeping, repairing and maintaining in good and safe condition all streets and street improvements. Developer shall cause the sweeping of streets to occur weekly at a minimum. Developer shall perform additional street sweeping work as necessary depending on construction activities or as required by, and at the direction of, the City Engineer. It shall be Developer's responsibility to initiate all maintenance work, but if it shall fail to do so, it shall promptly perform such maintenance work when notified to do so by City. If Developer fails to properly prosecute its maintenance obligation under this Section, City may do all necessary work and the cost thereof shall be the responsibility of Developer and its surety under this Agreement. City shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the Public Improvements or their condition prior to acceptance.

3.9.1 Landscaping and Existing Irrigation Systems. Developer shall plant and maintain parkway trees and landscaping as provided in Section 10-2.07 of the City Municipal Code, and as directed by the Public Facilities Department. The Developer shall also be responsible for the replacement, relocation or removal of any component of any irrigation water system in conflict with the construction or installation of the Public Improvements. Such

replacement, relocation or removal shall be performed to the complete satisfaction of the City Engineer and the owner of such water system.

3.10 Construction Schedule. Unless extended pursuant to this Section 3.10, Developer shall fully and adequately complete or have completed the Public Improvements within thirty six (36) months following approval of the Project Entitlements. At least fifteen (15) days prior to the commencement of such work, Developer shall notify the City Engineer in writing of the date fixed by Developer for commencement of the work.

3.10.1 Extensions of Schedule. Time is of the essence with regard to this Agreement. The City may in its sole and absolute discretion, provide Developer with additional time within which to complete the Public Improvements. Requests for extension of time shall be in writing and shall be delivered to City in the manner hereinafter specified for service of notices. An extension of time, if any, shall be granted only in writing, and an oral extension shall not be valid or binding on City. It is understood that by providing the security required by this Agreement, Developer and its surety consent in advance to any extension of time as may be given by City to Developer, and waive any and all right to notice of such extension(s). Developer's acceptance of an extension of time granted by City shall constitute a waiver by Developer and its surety of all defenses of laches, estoppel, statutes of limitations, and other limitations of action in any action or proceeding filed by City following the date on which the Public Improvements were to have been completed hereunder. In addition, as consideration for granting such extension to Developer, City reserves the right to review the provisions of this Agreement, including, but not limited to, the construction standards, the cost estimates approved by the City, and the sufficiency of the improvement security provided by Developer, and to require adjustments thereto when warranted according to City's reasonable discretion.

3.10.2 Accrual of Limitations Period. Any limitations period provided by law related to breach of this Agreement or the terms thereof shall not accrue until Developer has provided the City Engineer with written notice of Developer's intent to abandon or otherwise not complete required or agreed upon Public Improvements.

3.11 Grading. Developer agrees that any and all grading done or to be done in conjunction with construction of the Public Improvements or development of Project shall conform to all federal, state and local laws, ordinances, regulations and other requirements, including without limitation, City's grading regulations, the National Pollutant Discharge Elimination Systems (NPDES), and stormwater regulations thereunder as administered by the State Water Resources Control Board and Regional Water Quality Control Boards and City's grading regulations. In order to prevent damage to the Public Improvements by improper drainage or other hazards, the grading shall be completed in accordance with the above time schedule for completion of the Public Improvements, and prior to City's approval and acceptance of the Public Improvements and release of Security as set forth in this Agreement. Developer further agrees that the indemnification as set forth in this Agreement shall extend to and include any and all grading contemplated by this Agreement, including but not limited to, any partial or rough grading work. Developer agrees that any and all grading done or to be done in conjunction with of the Property shall conform to all federal, state, and local laws, ordinances, regulations, and other requirements including, In order to prevent damage to the Public Improvements by improper drainage or other hazards, the grading shall be completed in

accordance with the time schedule for completion of the Public Improvements established by this Agreement, and prior to City's approval and acceptance of the Public Improvements.

3.12 Encroachment Permit. Developer shall obtain any necessary encroachment permits from the office of the City Engineer prior to start of any work within the public rights-of-way, and the Developer shall conduct such work in full compliance with the regulations and other requirements contained therein. The Developer shall be responsible for the removal of all loose rock and other debris from the public rights-of-way resulting from work done on adjacent property or within said rights-of-way. Work done within existing public rights-of-way shall be diligently pursued to completion with minimal obstruction or inconvenience to the public and pursuant to the terms of the encroachment permit and any applicable federal, state or local laws, rules or regulations. The City shall have the right to complete any and all work in the event of unjustified delay in completion, and to recover all costs and expenses incurred from the Developer or its surety by any lawful means. Non-compliance with the terms of the encroachment permit or any applicable federal, state or local laws, rules or regulations may result in the City's cessation of the work and assessment of any applicable penalties or other remedies. Prior to, and as a condition precedent to, the issuance of any required encroachment permit(s), Developer shall provide to the City evidence satisfactory to the City of: (1) the certificate(s), endorsement(s), or policy(ies) of insurance as required by this Agreement; and (2) any and all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the work.

3.13 City Inspection of Public Improvements. Developer shall, at its sole cost, expense, and liability, and at all times during construction of the Public Improvements, maintain reasonable and safe facilities and provide safe access for inspection by City of the Public Improvements and areas where construction of the Public Improvements is occurring or will occur.

3.13.1 Acceptance of Improvements; As-Built or Record Drawings. If the Public Improvements are properly completed by Developer and approved by City, and if they comply with all applicable federal, state and local laws, ordinances, regulations and other requirements, City shall be authorized to accept the Public Improvements. Notwithstanding the foregoing, the City may not accept any Public Improvements unless and until the Developer provides reproducible "As-Built" or record drawings or plans to the City Engineer for all such Public Improvements.

3.13.2 Demand to Perform; City Remedies. Upon default of any obligation hereunder, and at any time after any such default, City may make written demand upon Developer or its surety, or both, to immediately remedy the default or complete the Public Improvements. If the required work is not substantially commenced within ten (10) days of such demand, or if it is not thereafter diligently prosecuted to a completion acceptable to City within the time frame contained in the demand, City may then complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity as in its sole and absolute discretion it believes is required. All such work or remedial activity shall be at the sole and absolute expense and obligation of Developer and its surety, without the necessity of giving any further notice to Developer or surety. City's right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any of the required Public Improvements at the time of City's demand for performance. In the event City elects to

complete or arrange for completion of the remaining work and improvements, City may require all work by Developer or its surety to cease in order to permit adequate coordination by City. Notwithstanding the foregoing, if the conditions precedent for reversion to acreage can be met and if the interests of the City will not be prejudiced thereby, the City may also process a reversion to acreage and thereafter recover from the Developer's surety the full cost and expense incurred.

3.13.3 Default; Notice of Violation; Stop Work Order. If City determines that there is a violation of applicable federal, state or local laws, ordinances, regulations or other requirements, or the terms and conditions of this Agreement, the City and/or City Engineer may issue a Notice of Violation and Demand for Compliance and/or a Stop Work Order. The City may declare the Developer to be in default or violation of this Subdivision Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation. Developer shall comply with the Notice of Violation and/or Stop Work Order and shall substantially commence the work required to remedy the default or violation with the time specified in the Notice of Violation. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, City and/or City Engineer may provide the Notice of Violation verbally, and Developer shall substantially commence the required work within twenty-four (24) hours thereof.

3.13.4 Failure to Remedy Violation; City Action. If the work required to remedy the notices of default or violation is not diligently prosecuted to a completion acceptable to City within the time frame contained in the Notice of Violation, City may complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity at its sole and absolute discretion it believes is required to remedy the default or violation. All such work or remedial activity shall be at the sole and absolute cost, expense, and liability of Developer or surety. City's right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any, or none of the required or agreed upon Public Improvements at the time of City's demand for performance. In the event City elects to complete or arrange for completion of the remaining work and improvements, City may require all work by Developer or its surety to cease in order to allow adequate coordination by City. Notwithstanding the foregoing, if conditions precedent for reversion to acreage can be met and if the interests of City will not be prejudiced thereby, City may also process a reversion to acreage and thereafter recover from Developer or its surety the full cost and expense incurred.

3.13.5 Other Remedies. No action by City pursuant to this Section of this Agreement shall prohibit City from exercising any other right or pursuing any other legal or equitable remedy available under this Agreement or any federal, state, or local law. City may exercise it rights and remedies independently or cumulatively, and City may pursue inconsistent remedies. City may institute an action for damages, injunctive relief, or specific performance.

3.13.6 Administrative Costs. If Developer fails to construct and install all or any part of the Public Improvements required by this Agreement within the time set forth herein, or if Developer fails to comply with any other obligation contained herein, Developer and its surety shall be jointly and severally liable to City for all administrative expenses, fees and costs, including reasonable attorney's fees and costs, incurred in obtaining compliance with this Agreement or in processing any legal action or for any other remedies permitted by law.

3.14 Indemnification. Developer shall defend (with Counsel acceptable to City), indemnify and hold harmless City, its elected officials, officers, employees ,agents and volunteers from any and all actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state, or local governmental body or agency, arising out of or incident to any acts, omissions or willful misconduct of Developer, its officers, employees, agents or contractors in connection with or arising out of or in connection with Developer's maintenance or construction of the Public Improvements, or its performance of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees and related costs or expenses, and the reimbursement of City, its elected officials, officers, employees, and/or agents for all legal expenses and costs incurred by each of them. This indemnification excludes only such portion of any claim, demand, cause of action, liability, loss, damage, penalty, fine, or injury, to property or persons, including wrongful death, which is caused solely and exclusively by the negligence or willful misconduct of City as determined by a court or administrative body of competent jurisdiction. Developer's obligation to indemnify shall survive the expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Agency, its elected officials, officers, employees, agents, or volunteers

3.15 Security.

3.15.1 Prior to execution of this Agreement, Developer shall provide City with sufficient security in the amounts and under the terms set forth below ("Security"). Nothing in this Section is intended to prevent City, in its sole discretion, from requiring Developer to submit, or prevent Developer from submitting, security in a form other than bonds that may be allowed under California Government Code Section 66499, et seq. and the City's Municipal Code, and acceptable to City. The amount of the Security shall be based on the City Engineer's approximation of the actual cost to construct the Public Improvements, including the replacement cost for all public landscaping ("Estimated Costs"). If City determines, in its sole and absolute discretion, that the Estimated Costs have changed, Developer shall adjust the Security in the amount requested by City. Developer's compliance with this Section shall in no way limit or modify Developer's indemnification obligation under this Agreement. Security shall be on forms approved by the City for the purposes and amounts as follows:

3.15.2 To guarantee the faithful performance of the Public Improvements and all the provisions of this Agreement, to protect City if Developer is in default as set forth in this Agreement, and to secure Developer's one-year guarantee and warranty of the Public Improvements, including the maintenance of all landscaping in a vigorous and thriving condition, Developer shall provide City security in the amount of **Three Hundred Two Thousand Three Hundred Sixty-Three and 27/100 Dollars ($302,363.27),** which sum shall be not less than one hundred percent (100%) of the Estimated Costs. The City may, in its sole and absolute discretion, partially release a portion or portions of the security provided under this section as the Public Improvements are accepted by City, as provided herein, provided that Developer is not in default on any provision of this Agreement or condition of approval for the Project, and the total remaining security is not less than twenty-five percent (25%) of the Estimated Costs. All security provided under this section shall be released at the end of the Warranty period (as defined above), or any extension thereof as provided in this Agreement,

provided that Developer is not in default on any provision of this Agreement or condition of approval for the Project.

3.15.3 To provide in the amount of ten percent (10%) of the Estimated Costs of the Work to guarantee and warrant the Work, for a period of one year following its completion and acceptance, against any defective work or labor done, or defective materials furnished, as required by California Government Code Section 66499.3(d). Any unused portion of the guarantee and warranty security shall be released one year after acceptance of the required improvements by the City Council.

3.15.4 Bond/Surety Requirements. The surety for any surety bonds provided as Security shall have a current A.M. Best rating of no less than A:VIII, shall be authorized to do business in the State of California, and shall be satisfactory to City. As part of the obligation secured by the Security and in addition to the face amount of the Security, Developer or its surety shall secure the costs and reasonable expenses and fees, including reasonable attorneys' fees and costs, incurred by City in enforcing the obligations of this Agreement. Developer and its surety stipulate and agree that no change, extension of time, alteration, or addition to the terms of this Agreement, the Public Improvements, or the plans and specifications for the Public Improvements shall in any way affect its obligation on the Security.

3.15.5 Evidence of Bonds and Security. Evidence and Incorporation of Security. Evidence of the Security shall be provided on the forms set forth in Exhibit "C," unless other forms are deemed acceptable by the City Engineer and the City Attorney, and when such forms are completed to the satisfaction of City, the forms and evidence of the Security shall be attached hereto as Exhibit "C" and incorporated herein by this reference.

3.16 Insurance.

3.16.1 Time for Compliance. Developer shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Developer shall not allow any contractor to commence work on any contract until it has provided evidence satisfactory to the City that the contractor has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

3.16.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Developer, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Developer agrees to amend, supplement or endorse the policies to do so.

(a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than $2,000,000 per occurrence and no less than $4,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for

contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than $2,000,000 combined limit for each occurrence.

(c) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than $1,000,000 per accident for bodily injury and disease.

3.16.3 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Developer shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(a) Commercial General Liability: (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Developer; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Developer shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(b) Automobile Liability. (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(c) Workers' Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

3.16.4 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.16.5 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Developer or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Developer hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its contractors.

3.16.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.16.7 Evidence of Insurance. The Developer, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Developer shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.16.8 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.16.9 Enforcement of Agreement Provisions (non estoppel). Developer acknowledges and agrees that actual or alleged failure on the part of the City to inform Developer of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

3.16.10 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

3.16.11 Additional Insurance Provisions

(a) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Developer, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise

assumed by the Developer pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(b) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Developer.

(c) The City may require the Developer to provide complete copies of all insurance policies in effect for the duration of the Project.

(d) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(e) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Developer from liability in excess of such coverage, nor shall it limit the Developer's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(f) Developer shall report to the City, in addition to Developer's insurer, any and all insurance claims submitted by Developer in connection with the Services under this Agreement.

3.17 Evidence of Bonds and Security. Evidence and Incorporation of Security. Evidence of the Security shall be provided on the forms set forth in Exhibit "C," unless other forms are deemed acceptable by the City Engineer and the City Attorney, and when such forms are completed to the satisfaction of City, the forms and evidence of the Security shall be attached hereto as Exhibit "C" and incorporated herein by this reference.

3.18 Signs and Advertising. Developer understands and agrees to City's ordinances, regulations and requirements governing signs and advertising structures. Developer hereby agrees with and consents to the removal by City of all signs or other advertising structures erected, placed, or situated in violation of any City ordinance, regulation or other requirement. Removal shall be at the expense of Developer. Developer shall indemnify and hold City free and harmless from any claim or demand arising out of or incident to signs, advertising structures, or their removal.

3.19 Relationship Between the Parties. The Parties hereby mutually agree that neither this Agreement, nor any other related entitlement, permit, or approval issued by City for the Property shall operate to create the relationship of partnership, joint venture, or agency between City and Developer. Developer's contractors and subcontractors are exclusively and solely under the control and dominion of Developer. Nothing herein shall be deemed to make Developer, its contractors, or its subcontractors an agent, contractor or subcontractor of City.

3.20 General Provisions.

3.20.1 Authority to Enter Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.20.2 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

3.20.3 Construction; References; Captions. It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days, or period for performance shall be deemed calendar days and not work days. All references to Developer include all personnel, employees, agents, and contractors and subcontractors of Developer, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.20.4 Notices. All notices to be given hereunder shall be in writing and may be made either by personal delivery or by registered or certified mail, postage prepaid, return receipt requested. Mailed notices shall be addressed to the parties at the addresses listed below, but each party may change the address by written notice in accordance with this Section. Notices delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated as of two (2) days after mailing.

CITY	**DEVELOPER**
City of Ontario Engineering Department 303 East "B" Street Ontario, CA 91764	RIVERSIDE STORAGE, LLC 1717 N. WATERFRONT PKWY WICHITA, KANSAS 67206 Attn: STEPHEN CLARK

3.20.5 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.20.6 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements, either written or oral, express or implied. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

3.20.7 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties, and shall not be assigned by the Developer without the prior written consent of the City.

3.20.8 Waiver. The City's failure to insist upon strict compliance with any provision of this Agreement or to exercise any right or privilege provided herein, or City's waiver of any breach of this Agreement, shall not relieve Developer of any of its obligations of this Agreement, whether of the same or similar type. The foregoing shall be true whether City's actions are intentional or unintentional. Developer agrees to waive, as a defense, counterclaim or set off, any and all defects, irregularities or deficiencies in the authorization, execution or performance of the Public Improvements or this Agreement, as well as the laws, rules, regulations, ordinances or resolutions of City with regards to the authorization, execution or performance of the Public Improvements or this Agreement.

3.20.9 Definition. For purposes of enforcing this Agreement, the term "City" shall include, but shall not be limited to, City Council, City Manager, City Attorney, City Engineer, or any of their authorized representatives. City shall have the sole and absolute discretion to determine which public body, public official or public employee may act on behalf of City for any particular purpose.

3.20.10 Assignment or Transfer of Agreement. Developer shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without prior written consent of City. Any attempt to do so shall be null and void, and any assignee, hypothecatee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation, or transfer. Unless specifically stated to the contrary in City's written consent, any assignment, hypothecation, or transfer shall not release or discharge Developer from any duty or responsibility under this Agreement. In the event that City consents in writing to such an assignment, any assignee, hypothecatee, or transferee shall expressly assume Developer's obligations hereunder by a written agreement in a form, and containing such security, as is reasonably acceptable to City.

The agreement, hypothecation, or transfer shall be to the satisfaction of the City Attorney and shall include provisions requiring the assignee to post bonds or submit another form of financial security, satisfactory to City and approved by the City Attorney, to guarantee construction of the Public Improvements. The agreement shall be recorded against the Property to inform successors and assigns of the required Public Improvements to be constructed and their time frame for construction.

Following any permitted assignment, hypothecation, or transfer of the Public Improvements as set forth in this Section, City shall release Developer from its obligations so assigned and shall release to Developer any bonds or other security posted to secure the Public Improvements so assigned; provided, however, that City shall not release any security or undertakings given to secure the performance of any of the Public Improvements not assigned, hypothecated, or transferred.

3.20.11 Binding Effect. Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This Section shall not be construed as an authorization for any Party to assign any right or obligation.

3.20.12 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

3.20.13 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.20.14 Consent to Jurisdiction and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of San Bernardino, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, Developer expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

3.20.15 Attorneys' Fees and Costs. If any arbitration, lawsuit, or other legal action or proceeding is brought by one Party against the other Party in connection with this Agreement or the Property, the prevailing party, whether by final judgment or arbitration award, shall be entitled to and recover from the other party all costs and expenses incurred by the prevailing party, including actual attorneys' fees ("Costs"). Any judgment, order, or award entered in such legal action or proceeding shall contain a specific provision providing for the recovery of Costs. This Section shall survive the termination or expiration of this Agreement.

3.20.16 Acquisition and Dedication of Easements or Rights-of-Way. If any of the Public Improvements required by this Agreement are to be constructed on land not within the subdivision or an already-existing public right-of-way, no construction or installation shall be commenced before:

(a) The irrevocable offer of dedication or conveyance to City of appropriate rights-of-way, easements, or other interests in real property, and appropriate authorization from the property owner to allow construction or installation of the Public Improvements or work; or

(b) The issuance of an order of possession by a court of competent jurisdiction pursuant to California's Eminent Domain Law. Developer shall comply in all respects with any such order of possession.

3.20.17 Nothing in this paragraph shall be construed as authorizing or granting an extension of time to Developer for completion of the Public Improvements.

3.20.18 Prevailing Wages. Developer has been alerted to the requirements of California Labor Code section 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements if it is determined that this Agreement constitutes a public works contract. It shall be the sole responsibility of Developer to determine whether to pay prevailing wages for any or all work required by this Agreement. As a material part of this Agreement, Developer agrees to assume all risk of liability arising from any decision not to pay prevailing wages for work required by this Agreement.

3.20.19 Counterparts. This Agreement may be executed in counterpart originals, which taken together, shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

CITY OF ONTARIO

By:_____
Scott Ochoa, City Manager

Attest

_____

By:_____
Sheila Mautz, City Clerk

Approved as to Form:

By:_____
Best Best & Krieger, City Attorney

DEVELOPER

By: Robert N Baker
Signature

Name Robert N. Baker

Title Manager

By:_____
_____

NOTE: DEVELOPER'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BY LAWS, ARTICLES OF INCORPORATION OR OTHER RULES OR REGULATIONS APPLICABLE TO DEVELOPER'S BUSINESS ENTITY.

STATE OF KANSAS)
COUNTY OF Sedgwick)

On March 13, 2026, before me, Annette Kungu,

personally appeared Robert Baker,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Kansas that the foregoing paragraph is true and correct.

ANNETTE KUNGU
Notary Public - State of Kansas
My Appt. Expires 3/6/2027

WITNESS my hand and official seal.

Annette Kungu
Signature of Notary Public

Principal must indicate below in what capacity he/she is signing. If other than in an individual capacity, the Principal must provide evidence satisfactory to demonstrate that he/she serves in such capacity and that he/she is authorized to execute this instrument.

CAPACITY CLAIMED BY SIGNER

☐ Individual
☒ Corporate Officer

Manager
Title(s)

☐ Partner(s) ☐ Limited ☐ General

☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
Title or Type of Document

_____
Number Of Pages

_____
Date Of Document

_____
Signer(s) Other Than Named Above

AGREEMENT – (DEVELOPER)

Exhibit "A"

Legal Description

Parcel B as shown on Lot Line of Adjustment No. LLA 10-004, as evidence by Document Recorded June 16, 2011 as Instrument No. 2011-0245534 of Official Records, being more particularly described as follows:

In the City of Ontario, County of San Bernardino, State of California, being all of Parcel 3 and 4 of Parcel Map No. 6497 filed in Book 66, Pages 34 through 35, of Maps, in the office of the County Recorder of said County;

Excepting therefrom the following portion:

Beginning at the Southeast corner of said Parcel 4;

Thence along the South line of said Parcel 4, said line being the North right of way of way of Riverside drive, 52.00 feet wide as shown on said Parcel Map, South 89° 47' 40" West, 180.00 feet;

Thence parallel with the center line of Euclid Avenue North 00° 01' 20" West, 188.00 feet;

Thence parallel with the South line of said Parcel 4 North 89° 47' 40" East, 180.00 feet to the East line of said Parcel 4;

Thence along said East line South 00° 01' 20" East, 188.00 feet to the point of beginning.

Also excepting therefrom, the following portion:

Everything lying Northerly of the following described line:

Beginning at the Northeast corner of that portion shown as "not a part" on said Parcel Map;

Thence along the Easterly prolongation of the North line of said "not a part" portion, North 89° 47' 40" East, 55.31 feet to the Westerly line of Parcel 2 of said Parcel Map.

Exhibit "B"
List of Public Improvements

CITY OF ONTARIO
CONSTRUCTION AND BOND ESTIMATE
IMPROVEMENT AGREEMENT FOR PDEV22-015

[ENGINEERING ESTIMATE ATTACHED]

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Project Cost Estimate

STREET AND POTABLE WATER IMPROVEMENTS FOR 201. E. RIVERSIDE DRIVE

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

Attached Project Cost Estimate prepared by (or under the direction of)

Signature of Registered Civil Engineer 62183

62183
RCE No.

9-30-25
Exp. Date:

REGISTERED PROFESSIONAL ENGINEER
AARON THOMAS SKEERS
No. 62183
Exp: 9-30-25
CIVIL
STATE OF CALIFORNIA

Civil Engineer Stamp

7/15/2025
Eng Dept
Harris PC#5

Recommended by HARRIS
for APPROVAL by City
By: 07/15/2025

Approved By: _____
Date: _____

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Summary of Estimated Construction Cost in Public Right-Of-Way
For Encroachment Permit Fee Calculation

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

A.	STREET (Excludes Fiber Optic, Landscape, Utility Poles)	Sub-Total	$ 60,890.50
B.	POTABLE WATER	Sub-Total	$ 59,710.61
C.	RECYCLED WATER	Sub-Total	$ -
D.	SANITARY SEWER	Sub-Total	$ -
E.	STORM DRAIN	Sub-Total	$ -
F.	FIBER OPTIC	Sub-Total	$ 33,395.67

TOTAL ESTIMATED CONSTRUCTION COST (Excludes Landscape, Utility Poles)	$ 153,996.78
CONSTRUCTION INSPECTION FEE (Excludes Landscape, Utility Poles)	$ 8,556.82 $164 Base Fee
SECURITY DEPOSIT Check box if posting Refundable Cash Deposit ☐ See Page 4 for posting of Security Bonds	$ 153,996.78 $500 Min
PERMIT FEE	$ 116.00
TRAFFIC CONTROL PERMIT FEE	$ 103.00
ENCROACHMENT PERMIT FEE TOTAL	$ 8,775.82

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Summary of Estimated Construction Cost in Public Right-Of-Way
For Plan Check Fee Calculation

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

A.	STREET (Excludes Fiber Optic, Landscape, Utility Poles)	Sub-Total	$ 60,890.50
B.	POTABLE WATER	Sub-Total	$ 59,710.61
C.	RECYCLED WATER	Sub-Total	$ -
D.	SANITARY SEWER	Sub-Total	$ -
E.	STORM DRAIN	Sub-Total	$ -
F.	FIBER OPTIC	Sub-Total	$ 33,395.67
G.	LANDSCAPE (Excludes Parkway)	Sub-Total	$ -
	TOTAL ESTIMATED CONSTRUCTION COST (Excludes Utility Poles)		$ 153,996.78
	PLAN CHECK FEE TOTAL		$ 7,160.85

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Summary of Estimated Construction Cost in Public Right-Of-Way
For Security Bond Amount
(Subdivision Maps Only)

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

A.	STREET	Sub-Total	$ 242,652.66
B.	POTABLE WATER	Sub-Total	$ 59,710.61
C.	RECYCLED WATER	Sub-Total	$ -
D.	SANITARY SEWER	Sub-Total	$ -
E.	STORM DRAIN	Sub-Total	$ -

TOTAL ESTIMATED CONSTRUCTION COST	$ 302,363.27
CONTINGENCY FOR UNSIGNED PLANS (10%)	$ 30,236.33
Check box if plans are unsigned ☐	
TOTAL SECURITY BOND AMOUNT	$ 302,363.27

SECURITY BOND AMOUNTS

Performance Bond (100% of Total Estimated Construction Cost)	$ 302,363.27
Labor and Material Bond (100% of Total Estimated Construction Cost)	$ 302,363.27
Maintenance Bond * (10% of Performance Bond)	$ 30,236.33
Monumentation Cash Deposit **	$ 1,000.00

No. of Monuments to set:

* To be provided prior to release of Performance Bond

** To be provided if monumentation is not complete by the time of Final Map approval

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Summary of Total Length of Utility Mains in Public Right-Of-Way
Provided to Fiscal Services Department

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

		Total Length (LF)
B.	POTABLE WATER MAIN	
C.	RECYCLED WATER MAIN	
D.	SANITARY SEWER MAIN	
E.	STORM DRAIN MAIN	
F.	FIBER OPTIC CONDUIT	**632**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Street Improvements

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
ASPHALT CONCRETE (AC) ($0.39/IN/S.F. AC & $0.19/IN/S.F. CAB)				
AC BASE PAVE (MINIMUM 4") THICKNESS: 6"		S.F.	$ 2.34	$ -
CRUSHED AGREGGATE BASE THICKNESS: 8"		S.F.	$ 1.52	$ -
AC PAVEMENT	22	TON	$ 65.00	$ 1,430.00
AC BERM		L.F.	$ 13.00	$ -
2" GRIND	897	S.F.	$ 0.40	$ 358.80
SAWCUT	794	L.F.	$ 3.50	$ 2,779.00
IMPORT FILL (INCLUDING COMPACTION)		C.Y.	$ 25.00	$ -
PREPARATION OF SUBGRADE	320	S.F.	$ 0.50	$ 160.00
AC PAVEMENT REMOVAL	391	S.F.	$ 3.50	$ 1,368.50
SLURRY SEAL (RPM TYPE II)		S.F.	$ 0.17	$ -
TRENCH BACKFILL AND COMPACTION	114	S.F.	$ 3.50	$ 399.00
PORTLAND CEMENT CONCRETE (PCC)				
CURB & GUTTER	43	L.F.	$ 15.00	$ 645.00
CURB ONLY	11	L.F.	$ 12.00	$ 132.00
CROSS GUTTER/SPANDREL		S.F.	$ 7.00	$ -
SIDEWALK	3616	S.F.	$ 4.75	$ 17,176.00
WHEELCHAIR RAMP		EA.	$ 2,200.00	$ -
TRAFFIC ISLAND		S.F.	$ 9.50	$ -
CONCRETE PAVEMENT (PCC - REINFORCED, UP TO 10" THICKNESS)		S.F.	$ 7.80	$ -
DRIVE APPROACHES				
RESIDENTIAL		S.F.	$ 6.50	$ -
COMMERCIAL	831	S.F.	$ 8.50	$ 7,063.50
REMOVAL				
REMOVAL OF CONCRETE	4403	S.F.	$ 3.50	$ 15,410.50
REMOVAL OF BERM, A.C. OR P.C.C.	105	L.F.	$ 6.50	$ 682.50
ADJUSTMENT TO GRADE				
MANHOLE		EA.	$ 600.00	$ -
WATER VALVE	2	EA.	$ 325.00	$ 650.00
CLEANOUT		EA.	$ 265.00	$ -
DRAINAGE				
PARKWAY DRAIN	2	EA.	$ 1,800.00	$ 3,600.00

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Street Improvements

SIGNS				
REFLECTOR SIGN AND POST		EA.	$ 175.00	$ -
STREET NAME SIGN		EA.	$ 475.00	$ -
TRAFFIC SIGN AND POST		EA.	$ 300.00	$ -
LIGHTING				
STREET LIGHT				
- 70, 100 WATT (INCLUDING CONDUIT & PULL BOXES)		EA.	$ 6,200.00	$ -
- 150, 250 WATT (INCLUDING CONDUIT & PULL BOXES)		EA.	$ 6,500.00	$ -
STREET LIGHT SERVICE PEDESTAL		EA.	$ 4,100.00	$ -
STREET LIGHT SERVICE DUAL PEDESTAL		EA.	$ 5,900.00	$ -
STRIPING				
SIGNING & STRIPING LOCAL STREET		L.F.	$ 4.50	$ -
SIGNING & STRIPING COLLECTOR STREET		L.F.	$ 8.75	$ -
SIGNING & STRIPING ARTERIAL STREET		L.F.	$ 12.75	$ -
PAINTED LEGEND		EA.	$ 80.00	$ -
THERMOPLASTIC LEGEND		EA.	$ 165.00	$ -
TRAFFIC SIGNALS				$ -
NEW TRAFFIC SIGNAL		EA.	$ 355,600.00	$ -
MODIFY EXISTING SIGNAL (STREET WIDENING, PER CORNER)		EA.	$ 88,900.00	$ -
REMOVE EXISTING SIGNAL		EA.	$ 25,000.00	$ -
REPLACE/RESTORE T.S. DETECTION LOOP		EA.	$ 425.00	$ -
TRAFFIC SIGNAL INTERCONNECT CONDUIT		L.F.	$ 17.00	$ -
TRAFFIC SIGNAL INTERCONNECT CONDUIT & CABLE		L.F.	$ 20.00	$ -
ADD LEFT TURN PHASING		L.S.	$ 30,000.00	$ -
ADD LEFT TURN PHASING		L.S.	$ 30,000.00	$ -
LANDSCAPE				$ -
PARKWAY TREE WITH IRRIGATION		EA.	$ 525.00	$ -
PARKWAY LANDSCAPING		S.F.	$ 6.00	$ -
(INCLUDING IRRIGATION FACILITIES)				$ -
NEIGHBORHOOD EDGE AND/OR MEDIAN LANDSCAPING		S.F.	$ 6.00	$ -
(INCLUDING IRRIGATION FACILITIES)				$ -
NEIGHBORHOOD EDGE AND/OR MEDIAN TREE		EA.	$ 525.00	$ -
(INCLUDING IRRIGATION FACILITIES)				$ -
UTILITY POLES				$ -
RELOCATION OF POLE		EA.	$ 18,000.00	$ -
UNDERGROUNDING OF POWER LINES	361	L.F.	$ 350.00	$ 126,350.00
UNDERGROUNDING OF COMMUNICATION LINES		L.F.	$ 90.00	$ -
				$ -
FIBER OPTIC				$ -
CONDUIT PLACEMENT TRENCH/BORE (INCLUDES HANDHOLES)	632	L.F.	$ 45.00	$ 28,440.00
(ARTERIAL/COLLECTOR STREETS - MAIN BACKBONE)				$ -
IN-TRACT LOCAL STREETS				$ -
FIBER CONDUIT PLACEMENT		L.F.	$ 5.70	$ -

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Street Improvements

FIBER TRENCH		L.F.	$ 6.50	$ -
HANDHOLE - FLOWER POT (FP)		EA.	$ 125.00	$ -
HANDHOLE - HH-3		EA.	$ 250.00	$ -
HANDHOLE - HH-4		EA.	$ 375.00	$ -
				$ -
DRY UTILITY TRENCHING				$ -
BORE - AC PAVEMENT		L.F.	$ 20.00	$ -
BORE - PARKWAY		L.F.	$ 10.00	$ -
MICRO TRENCHING		L.F.	$ 8.15	$ -
DRY UTILITY TRENCH - AC PAVEMENT		L.F.	$ 56.00	$ -
DRY UTILITY TRENCH - PARKWAY		L.F.	$ 8.00	$ -
OTHER				
				$ -
				$ -
				$ -
				$ -
STREET IMPROVEMENTS SUB-TOTAL				**$ 206,644.80**
10% CONTINGENCY				$ 20,664.48
TRAFFIC CONTROL	1	L.S.	$ 6,251.01	$ 6,251.01
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ 9,092.37	$ 9,092.37
STREET IMPROVEMENTS TOTAL				**$ 242,652.66**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Potable Water Improvements

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
WATER / FIRE MAIN				
6" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 30.00	$ -
8" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 40.00	$ -
10" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 45.00	$ -
8" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 90.00	$ -
10" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 95.00	$ -
12" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 105.00	$ -
16" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 115.00	$ -
WATER SERVICE (EXCLUDES AC REMOVAL AND REPLACEMENT)				
1" WATER SERVICE WITH METER BOX	1	EA.	$ 1,000.00	$ 1,000.00
2" WATER SERVICE WITH METER BOX	1	EA.	$ 2,200.00	$ 2,200.00
6" WATER SERVICE	2	EA.	$ 6,000.00	$ 12,000.00
FIRE HYDRANT (EXCLUDES AC REMOVAL AND REPLACEMENT)				
BREAK-OFF TYPE FIRE HYDRANT (INC. CONNECTION)		EA.	$ 5,400.00	$ -
AIR RELEASE / BLOW-OFF				
(EXCLUDES AC REMOVAL AND REPLACEMENT)				
AIR RELEASE VALVE (INC. CONNECTION)		EA.	$ 4,600.00	$ -
BLOW-OFF VALVE (INC. CONNECTION)		EA.	$ 4,500.00	$ -
BACKFLOW ($1000/IN)				
RP 2" AND SMALLER	2	EA.	$ 3,000.00	$ 6,000.00
DDC ABOVE GROUND (UP TO 6" DIAMETER)	2	EA.	$ 7,000.00	$ 14,000.00
GATE VALVE				
6"		EA.	$ 550.00	$ -
8"		EA.	$ 850.00	$ -
10"		EA.	$ 1,250.00	$ -
12"		EA.	$ 1,375.00	$ -
16"		EA.	$ 3,425.00	$ -
HOT TAP				
HOT TAP WITH VALVE	3	EA.	$ 1,750.00	$ 5,250.00
CONNECTION TO EXISTING 6" MAIN		EA.	$ 3,500.00	$ -
CONNECTION TO EXISTING 8" MAIN		EA.	$ 3,750.00	$ -
CONNECTION TO EXISTING 12" MAIN		EA.	$ 4,100.00	$ -
INSTALL TEE	1	EA.	$ 300.00	$ 300.00

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Potable Water Improvements

REMOVE EXISTING BLIND FLANGE		EA.	$ 475.00	$ -
CONCRETE THRUST BLOCK		EA.	$ 585.00	$ -
OTHER				
ABANDON AND REMOVE EX WATER SERVICE	7	EA	$ 1,000.00	$ 7,000.00
INSTALL BLIND FLANGE	7	EA	$ 100.00	$ 700.00
INSTALL PROTECTOR POST	8	EA	$ 300.00	$ 2,400.00
				$ -
POTABLE WATER IMPROVEMENTS SUB-TOTAL				**$ 50,850.00**
10% CONTINGENCY				$ 5,085.00
TRAFFIC CONTROL	1	L.S.	$ 1,538.21	$ 1,538.21
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ 2,237.40	$ 2,237.40
POTABLE WATER IMPROVEMENTS TOTAL				**$ 59,710.61**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Recycled Water Improvements

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
WATER / FIRE MAIN				
6" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 30.00	$ -
8" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 40.00	$ -
10" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 45.00	$ -
8" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 90.00	$ -
10" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 95.00	$ -
12" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 105.00	$ -
16" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 115.00	$ -
WATER SERVICE (EXCLUDES AC REMOVAL AND REPLACEMENT)				
1" WATER SERVICE WITH METER BOX		EA.	$ 1,000.00	$ -
2" WATER SERVICE WITH METER BOX		EA.	$ 2,200.00	$ -
FIRE HYDRANT (EXCLUDES AC REMOVAL AND REPLACEMENT)				
BREAK-OFF TYPE FIRE HYDRANT (INC. CONNECTION)		EA.	$ 5,400.00	$ -
AIR RELEASE / BLOW-OFF				
(EXCLUDES AC REMOVAL AND REPLACEMENT)				
AIR RELEASE VALVE (INC. CONNECTION)		EA.	$ 4,600.00	$ -
BLOW-OFF VALVE (INC. CONNECTION)		EA.	$ 4,500.00	$ -
BACKFLOW ($1000/IN)				
RP 2" AND SMALLER		EA.	$ 3,000.00	$ -
DDC ABOVE GROUND (UP TO 6" DIAMETER)		EA.	$ 7,000.00	$ -
GATE VALVE				
6"		EA.	$ 550.00	$ -
8"		EA.	$ 850.00	$ -
10"		EA.	$ 1,250.00	$ -
12"		EA.	$ 1,375.00	$ -
16"		EA.	$ 3,425.00	$ -
HOT TAP				
HOT TAP WITH VALVE		EA.	$ 1,750.00	$ -
CONNECTION TO EXISTING 8" MAIN		EA.	$ 3,750.00	$ -
CONNECTION TO EXISTING 12" MAIN		EA.	$ 4,100.00	$ -
INSTALL TEE		EA.	$ 300.00	$ -
REMOVE EXISTING BLIND FLANGE		L.S.	$ 475.00	$ -

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Recycled Water Improvements

CONCRETE THRUST BLOCK		EA.	$ 585.00	$ -
OTHER				
				$ -
				$ -
				$ -
				$ -
RECYCLED WATER IMPROVEMENTS SUB-TOTAL				**$ -**
10% CONTINGENCY				$ -
TRAFFIC CONTROL	1	L.S.	$ -	$ -
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ -	$ -
RECYCLED WATER IMPROVEMENTS TOTAL				**$ -**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Sanitary Sewer Improvements

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
SEWER MAIN (VCP ONLY)				
8" & SMALLER IN EASEMENT AREA ONLY		L.F.	$ 40.00	$ -
(NOT IN PAVED STREET)				
10" IN EASEMENT AREA ONLY		L.F.	$ 60.00	$ -
(NOT IN PAVED STREET)				
12" & LARGER IN EASEMENT AREA ONLY		L.F.	$ 63.00	$ -
(NOT IN PAVED STREET)				
8" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 70.00	$ -
10" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 75.00	$ -
12" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 80.00	$ -
15" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 90.00	$ -
18" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 95.00	$ -
21" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 105.00	$ -
24" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 115.00	$ -
MANHOLE				
MANHOLE		EA.	$ 4,050.00	$ -
DROP MANHOLE		EA.	$ 4,100.00	$ -
VAULT		EA.	$ 3,500.00	$ -
MONITORING FACILITY / NON TRAFFIC AREA		EA.	$ 1,750.00	$ -
MONITORING MANHOLE		EA.	$ 4,100.00	$ -
CLEANOUT		EA.	$ 1,750.00	$ -
REMOVE/ABANDON EXISTING MANHOLE		EA.	$ 1,200.00	$ -
REMOVE EXISTING SEWER				
UP TO 12" DIAMETER		L.F.	$ 55.00	$ -
GREATER THAN 12" DIAMETER		L.F.	$ 70.00	$ -
LATERAL				
4" HOUSE CONNECTION TO SEWER MAIN IN STREET		L.S.	$ 2,925.00	$ -
6" & SMALLER VCP SEWER LATERAL / EASEMENT		L.F.	$ 42.00	$ -
6" & SMALLER VCP SEWER LATERAL / PAVED STREET		L.F.	$ 70.00	$ -
SEWER CHIMNEY		EA.	$ 1,170.00	$ -
SEWER SADDLE		EA.	$ 1,170.00	$ -
WYE 4" x 8" TYPICAL		EA.	$ 115.00	$ -
OIL/GREASE INTERCEPTOR NOT IN STREET		EA.	$ 1,750.00	$ -

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Sanitary Sewer Improvements

OTHER				
				$ -
				$ -
				$ -
				$ -
SANITARY SEWER IMPROVEMENTS SUB-TOTAL				
10% CONTINGENCY				
TRAFFIC CONTROL	1	L.S.	$ -	$ -
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ -	$ -
SANITARY SEWER IMPROVEMENTS TOTAL				

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Storm Drain Improvements

Date	6/24/2025
Project Number	PDEV22-015
Plancheck Number	
Location	201 E. Riverside Drive
Computed By	T. Skahill
Contact Phone	909-560-1802
Contact Email	tskahill@madoleinc.com

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
RCP STORM DRAIN				
RCP SIZE X $3.25 / INCH OF I.D. UP TO 60" DIAMETER				
18" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 58.50	$ -
INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ -	$ -
INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ -	$ -
INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ -	$ -
66" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 260.00	$ -
72" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 290.00	$ -
78" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 305.00	$ -
84" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 330.00	$ -
90" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 350.00	$ -
96" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 365.00	$ -
102" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 470.00	$ -
108" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 480.00	$ -
LATERAL				
18" RCP OR SMALLER		L.F.	$ 45.00	$ -
INC. EXC., BACKFILL & PVMT RESTORATION				
MANHOLE		EA.	$ 4,500.00	$ -
CATCH BASIN				
CATCH BASIN LESS THAN 7' IN WIDE		L.F.	$ 409.50	$ -
7' WIDE - CB WITH SCREEN INLET		E.A.	$ 3,900.00	$ -
10' WIDE- CB WITH SCREEN INLET		E.A.	$ 4,200.00	$ -
14' WIDE - CB WITH SCREEN INLET		E.A.	$ 4,700.00	$ -
21' WIDE - CB WITH SCREEN INLET		E.A.	$ 4,900.00	$ -
LOCAL DEPRESSION FOR UP TO 10' WIDE CB		L.S.	$ 585.00	$ -
LOCAL DEPRESSION FOR > 10' WIDE CB		L.S.	$ 1,200.00	$ -
REINFORCED CONCRETE BOX				
INC. EXC., BACKFILL & PVMT RESTORATION				
4' X 6' RCB		L.F.	$ 400.00	$ -
7' X 6' RCB		L.F.	$ 470.00	$ -
7' X 8.5' RCB		L.F.	$ 560.00	$ -
7' X 9.5' RCB		L.F.	$ 575.00	$ -
8' X 11' RCB		L.F.	$ 585.00	$ -
8' X 13' RCB		L.F.	$ 600.00	$ -

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Storm Drain Improvements

9' X 9' RCB		L.F.	$ 610.00	$ -
9' X 12' RCB		L.F.	$ 650.00	$ -
OUTLET STRUCTURE		EA.	$ 700.00	$ -
INLET STRUCTURE		EA.	$ 700.00	$ -
TRANSITION STRUCTURE		EA.	$ 1,700.00	$ -
OTHER				
				$ -
				$ -
				$ -
				$ -
STORM DRAIN IMPROVEMENTS SUB-TOTAL				**$ -**
10% CONTINGENCY				$ -
TRAFFIC CONTROL	1	L.S.	$ -	$ -
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ -	$ -
STORM DRAIN IMPROVEMENTS TOTAL				

Exhibit "C"

Bonds and other Security

As evidence of understanding the provisions contained in this Agreement, and of the Developer's intent to comply with same, the Developer has submitted the below described security and has affixed the appropriate signatures thereto:

FAITHFUL PERFORMANCE BOND PRINCIPAL AMOUNT: $302,363.27
Description: Faithful Performance Bond
Surety: **Travelers Casualty and Surety Company of America**
Attorney-in-fact: Desiree E. Westmoreland
Title Service Representative: Attorney-in-Fact
Address: One Tower Square, Hartford, CT 06183

Phone Number: 860-277-0111
Email: BGREEN3@travelers.com

MAINTENANCE GUARANTEE BOND PRINCIPAL AMOUNT: $30,236.33
To be posted upon completion of the Public Improvements by Developer and approval and acceptance by City.

BOND NO. 108348932
PREMIUM $4,535.00

CITY OF ONTARIO

AGREEMENT FOR COMPLETION OF PUBLIC IMPROVEMENTS PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the City Council of the City of Ontario, State of California ("CITY") and **Riverside Storage LLC** ("PRINCIPAL") have entered into an Agreement for Completion of Public Improvements ("Improvement Agreement") dated on or about the _____ day of _____, 202_ for public improvements to be constructed as part of the **Parcel B of LLA 10-004; APN 1051-614-08** Project; and,

WHEREAS, the Improvement Agreement is hereby referred to and incorporated herein by reference; and,

WHEREAS, the PRINCIPAL is required under the terms of the Improvement Agreement to provide a good and sufficient bond, in a form and from a surety acceptable to the CITY, for the performance of the Improvement Agreement; and,

NOW, THEREFORE, the PRINCIPAL and **Travelers Casualty and Surety Company of America**, a company organized and doing business under and by virtue of the laws of the State of Connecticut and duly licensed to conduct a general surety business in the State of California, as "SURETY," are held and firmly bound unto the CITY, as "OBLIGEES," in the sum of **Three Hundred Two Thousand Three Hundred Sixty Three and 27/100** DOLLARS, **($302,363.27)** for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such, that if the above bonded PRINCIPAL, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in said Improvement Agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the CITY, it officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall remain in full force and effect.

As part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Improvement Agreement, or the work to be performed thereunder or the specifications accompanying the same, shall in any manner affect its obligations on this bond, and it does hereby waive notice of such change, extension, alteration or addition to the terms of the Improvement Agreement or to the work or specifications.

IN WITNESS WHEREOF, the seal and signature of said PRINCIPAL is hereto affixed, and the corporate seal and the name of said SURETY is hereto affixed and attested by its duly authorized Attorney-in-Fact at Wichita, Kansas this 17th day of February, 2026.

PRINCIPAL	**SURETY**
Riverside Storage LLC	**Travelers Casualty and Surety Company of America**
Print Name	Print Name
By: Robert N. Baker	By: Desiree E. Westmoreland
Signature	Signature
Robert N. Baker	**Desiree E. Westmoreland**
Name	Name
Manager	**Attorney-in-Fact**
Title	Title
2/17/2026	
Date	Date

NOTE: APPROPRIATE NOTARIAL ACKNOWLEDGMENTS OF EXECUTION BY PRINCIPALS AND SURETY MUST BE ATTACHED TO THIS BOND.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF Kansas)
COUNTY OF Sedgwick)

On February 17, 2026, before me, Annette Kungu,

personally appeared Robert Baker,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Kansas that the foregoing paragraph is true and correct.

ANNETTE KUNGU
Notary Public - State of Kansas
My Appt. Expires 3/6/2027

Signature of Notary Public

WITNESS my hand and official seal.

Annette Kungu

Principal must indicate below in what capacity he/she is signing. If other than in an individual capacity, the Principal must provide evidence satisfactory to demonstrate that he/she serves in such capacity and that he/she is authorized to execute this instrument.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
- ☑ Corporate Officer
  Manager
  Title(s)
- ☐ Partner(s) ☐ Limited ☐ General
- ☐ Attorney-In-Fact
- ☐ Trustee(s)
- ☐ Guardian/Conservator
- ☐ Other: _____

Signer is representing:
Name Of Person(s) Or Entity(ies)
Riverside Storage, LLC

DESCRIPTION OF ATTACHED DOCUMENT

Performance Bond - 108348932
Title or Type of Document

4
Number Of Pages

Date Of Document

Signer(s) Other Than Named Above

PERFORMANCE BOND – (PRINCIPAL)

C-4

46700.00100\34360578.1

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF KANSAS)
COUNTY OF SEDGWICK)

On February 13, 2026, before me, Clara Navarro,

personally appeared Desiree E. Westmoreland,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Kansas that the foregoing paragraph is true and correct.

CLARA NAVARRO
Notary Public - State of Kansas
My Appt. Expires 12/30/2026

Signature of Notary Public

WITNESS my hand and official seal.

Clara Navarro

Principal must indicate below in what capacity he/she is signing. If other than in an individual capacity, the Principal must provide evidence satisfactory to demonstrate that he/she serves in such capacity and that he/she is authorized to execute this instrument.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
- ☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited ☐ General
- ☒ Attorney-In-Fact
- ☐ Trustee(s)
- ☐ Guardian/Conservator
- ☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

Travelers Casualty and Surety Company of America

DESCRIPTION OF ATTACHED DOCUMENT

Performance Bond - 108348932
Title or Type of Document

4
Number Of Pages

Date Of Document

Signer(s) Other Than Named Above

BOND NO. 108348932
PREMIUM $4,535.00

CITY OF ONTARIO

AGREEMENT FOR COMPLETION OF PUBLIC IMPROVEMENTS
WARRANTY BOND

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, the City of Ontario ("CITY"), a California municipal corporation by its City Council and **Riverside Storage LLC** ("PRINCIPAL") have entered into that certain Agreement for Completion of Public Improvements ("Improvement Agreement") dated _____, referred to and incorporated herein by this reference, whereby PRINCIPAL agrees to install and complete certain designated public improvements for the project identified as **Parcel B of LLA 10-004; APN 1051-614-08**; and

WHEREAS, PRINCIPAL is required under the terms of the Improvement Agreement to furnish a bond to guarantee and warrant the work for a period of one year following its completion and acceptance against any defective work or labor done, or defective materials furnished, to comply with the terms of the Improvement Agreement; and

WHEREAS, we **Riverside Storage LLC**, as PRINCIPAL and **Travelers Casualty and Surety Company of America**, a corporation organized and existing under the laws of the State of Connecticut, and authorized to transact surety business in the State of California as surety ("SURETY"), are held and firmly bound onto the CITY, in the full and just sum of Three Hundred Two Thousand Three Hundred Sixty Three and 27/100 Dollars ($302,363.27) for which payment well and truly to be made, the said PRINCIPAL and SURETY bind themselves, their successors and assigns, jointly and severally, firmly by these presents; and

WHEREAS, PRINCIPAL, required under the Improvement Agreement to construct the designated public improvements in accordance with CITY's Standard Specifications, agrees to repair or replace any and all work required under this Improvement Agreement that may prove defective in workmanship and/or materials, together with any other work which may be effected by this repair, excepting any work necessitated by ordinary wear and tear, or unusual abuse or neglect, within a one-year period from the date of acceptance of the work and improvements by the CITY; and

WHEREAREAS, such work and improvements have been completed in accordance with the Improvement Agreement; and

WHEREAS, CITY is willing and agreeable to accept a bond in the amount of Thirty Thousand Two Hundred Thirty Six and 33/100 Dollars ($30,236.33) (10% of CITY's estimated cost) to be a guarantee that all charges for material and labor accruing in the construction of said work and improvements have been or will be paid in full by PRINCIPAL and that the work and improvements shall remain free form defects resulting from defective material and labor for a period of twelve months from the date of acceptance by the CITY.

NOW, THEREFORE, the condition of this obligation is such that PRINCIPAL, having completed the work and improvements to the satisfaction of CITY, and if all charges for material and labor accruing in the construction of the work and improvements have been paid in full by PRINCIPAL, and if the work and improvements have remained free from defects resulting from the defective materials and labor, all for a period of twelve months from the date of acceptance by CITY. This bond shall remain in full force and effect until a written release is received from the City, at the written request of the Surety or Principal. The CITY may perform a warranty inspection prior to the expiration of the one year warranty period, but no sooner than 45 days prior to expiration. The PRINCIPAL will be notified in writing of any efficiencies revealed by this inspection. The warranty bond will not be released until the required repairs are completed and a one year warranty period has expired. Without any defects resulting from defective materials or labor, has been subsequently completed for all the installed public improvements and any repairs or replacement if necessary per the Improvement Agreement above. If the warranty inspection identifies no necessary repairs or replacement, the CITY will release the warranty bond at the end of the one year warranty period. The PRINCIPAL shall be entitled to seek a release of this bond only at that time when the installed public improvements have been maintained and have remained free of defects for an entire one year.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9550) of Part 6 of Division 4 of the Civil code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be full performed, then this obligation shall become null and void; otherwise, it shall remain in full force and effect.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said Improvement Agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extensions, alteration or addition; and expressly waives the defenses of statutes of limitation, laches and estoppel in the event said changes, extensions, alterations or additions are granted or made.

SURETY, by executing this Warranty Bond, warrants and alleges that it has read the said Improvement Agreement or by signing this bond shall be deemed to have read said Improvement Agreement and knows the contents and all provisions therein contained, and shall be bound by each and every term, condition and provision contained therein.

IN WITNESS WHEREOF, said PRINCIPAL and SURETY have caused this bond to be duly executed this 17th day of February, 2026.

[SIGNATURE PAGE FOLLOWS]

PRINCIPAL	SURETY
Riverside Storage LLC	Travelers Casualty and Surety Company of America
Print Name	Print Name
By: Signature	By: Signature
Robert N. Baker	Desiree E. Westmoreland
Name	Name
Manager	Attorney-in-Fact
Title	Title
2/17/2026	
Date	Date

NOTE: APPROPRIATE NOTARIAL ACKNOWLEDGMENTS OF EXECUTION BY PRINCIPALS AND SURETY MUST BE ATTACHED TO THIS BOND.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF Kansas)
COUNTY OF Sedgwick)

On February 17, 2026, before me, Annette Kungu,

personally appeared Robert Baker,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Kansas that the foregoing paragraph is true and correct.

ANNETTE KUNGU
Notary Public - State of Kansas
My Appt. Expires 3/6/2027

Signature of Notary Public

WITNESS my hand and official seal.

Annette Kungu

Principal must indicate below in what capacity he/she is signing. If other than in an individual capacity, the Principal must provide evidence satisfactory to demonstrate that he/she serves in such capacity and that he/she is authorized to execute this instrument.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
- ☑ Corporate Officer
  Manager
  Title(s)
- ☐ Partner(s) ☐ Limited ☐ General
- ☐ Attorney-In-Fact
- ☐ Trustee(s)
- ☐ Guardian/Conservator
- ☐ Other: _____

Signer is representing:
Name Of Person(s) Or Entity(ies)
Riverside Storage, LLC

DESCRIPTION OF ATTACHED DOCUMENT

Warranty Bond - 108348932
Title or Type of Document

5
Number Of Pages

Date Of Document

Signer(s) Other Than Named Above

WARRANTY BOND – (PRINCIPAL)

46700.00100\34360578.1

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF KANSAS)
COUNTY OF SEDGWICK)

On February 13, 2026, before me, Clara Navarro,

personally appeared Desiree E. Westmoreland,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Kansas that the foregoing paragraph is true and correct.

CLARA NAVARRO
Notary Public - State of Kansas
My Appt. Expires 12/30/2026

Signature of Notary Public

WITNESS my hand and official seal.

Clara Navarro.

Principal must indicate below in what capacity he/she is signing. If other than in an individual capacity, the Principal must provide evidence satisfactory to demonstrate that he/she serves in such capacity and that he/she is authorized to execute this instrument.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
- ☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited ☐ General
- ☒ Attorney-In-Fact
- ☐ Trustee(s)
- ☐ Guardian/Conservator
- ☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

Travelers Casualty and Surety Company of America

DESCRIPTION OF ATTACHED DOCUMENT

Warranty bond - 108348932
Title or Type of Document

5
Number Of Pages

Date Of Document

Signer(s) Other Than Named Above

WARRANTY BOND – (SURETY)

C-10

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08/06/21

TRAVELERS

Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and the Companies do hereby make, constitute and appoint **Desiree E. Westmoreland** of **WICHITA**, **Kansas**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **16th** day of **February, 2024.**

SEAL SEAL SEAL

State of Connecticut

By: Bryce Grissom, Senior Vice President

City of Hartford ss.

On this the **16th** day of **February**, **2024**, before me personally appeared **Bryce Grissom**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June**, **2026**

NOTARY PUBLIC

Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this day of

SEAL SEAL SEAL

Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITY FOR DEVELOPMENT PLAN NO. PDEV22-015 LOCATED AT 201 EAST RIVERSIDE DRIVE.

WHEREAS, Development Plan No. PDEV22-015 submitted for approval by Riverside Storage, LLC, was approved by the Planning Commission of the City of Ontario on April 23, 2024; and

WHEREAS, Development Plan No. PDEV22-015, a 125,000-square foot storage facility building on 2.73 acres of land being Parcel B as described in Lot Line Adjustment No. LLA10-004 recorded June 16, 2011 in the Office of County Recorder of San Bernardino County; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Project No. PDEV22-015, Riverside Storage, LLC, has offered the Improvement Agreement together with good and sufficient improvement security, in conformance with the City Attorney's approved format, for approval and execution by the City; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ontario, California, as follows:

SECTION 1. That said Improvement Agreement be, and the same is, approved and the City Manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and

SECTION 2. That said Improvement Security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 5th day of May 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

_____
BEST, BEST & KREIGER, LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 5, 2026, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held May 5, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Budget Prepared By: Eric Wilson Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 4

SUBJECT: FY 2025-26 THIRD QUARTER BUDGET UPDATE

RECOMMENDATION: That the City Council approve the budget adjustments and recommendations as presented in the Fiscal Year 2025-26 Third Quarter Budget Update Report (Exhibit A).

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: The recommended actions will affect several fund budgets as outlined in the Fiscal Year 2025-26 Third Quarter Budget Update Report.

BACKGROUND & ANALYSIS: The Third Quarter Budget Update Report for Fiscal Year 2025-26 reflects the Financial Services Agency's continued efforts to provide timely, accurate, and understandable financial information to assist the City Council with decision making and achievement of core goals. All Funds have been reviewed in preparing this report. The emphasis of this report is on the General Fund, which funds the majority of government services including public safety, recreation, library, museum, parks, building, and planning.

The primary purposes of this report are to:

- Revise the City's budget to reflect the City Council's actions taken since the beginning of the current fiscal year;
- Recommend personnel changes to enhance program operations and efficiencies;
- Recommend budget adjustments that are consistent with the City Council goals and objectives; and
- Comment on significant budget and economic trends which may impact fiscal year's budget development.

Fiscal Year 2025-26 Third Quarter Budget Update Recommendations

Fiscal Year 2025-26 Third Quarter Budget Updates are routine in nature and comprised predominately by City Council actions taken since the First Quarter and Mid-Year Budget Updates. Third Quarter Budget Update includes proposed new expenditure budget requests, as well as

revised revenue estimates for FY 2025-26. For the General Fund, the net result of these actions will bring the General Fund estimated available and unencumbered ending fund balance to $84.9 million or 21.1% of total appropriations. This amount achieves the goal set by City Council as a reserve for specific and defined emergency events (such as an earthquake or pandemic) and to address immediate needs in resources without impacting City services. This goal was temporarily decreased to 15% during the COVID pandemic but has since been brought back up to the previous set goal of 20%, effective July 1, 2023, with the goal of increasing the reserves up to 25% in future fiscal years.

General Fund Highlights

- $3.1 million increase in projected Sales Tax revenue as a result of gains in point of sales revenue
- $2.2 million increase in projected Licenses and Permits revenue due to higher trending development related revenues
- $1.5 million increase in projected Fines and Forfeitures revenue due to higher trending revenue in vehicle code fines
- $1.3 million increase in projected Use of Money and Property revenue due to higher trending interest income revenue
- $1.0 million decrease in Transient Occupancy Tax (TOT) due to lower trending revenue
- $5.1 million appropriation for Police Department overtime

Other Funds (non- General Fund) Highlights

- $130 million additional appropriation for 2026 Lease Revenue Bond Proceeds
- $46.9 million appropriations for the purchase of 2350-2630 East Inland Empire Boulevard Property Acquisition
- $30.0 million appropriation for the Ontario Sports Empire – Capital Projects Contribution to Sewer Capital Fund
- $19.5 million for Capital City – Temporary Parking Lot Property Acquisition
- $8.5 million reduction for the Ontario Sports Empire Sewer Project
- $5.0 million appropriations for the Ontario Sports Empire – Vineyard Street Project, including $2.7 million reimbursement from Measure I Valley Major Projects Funding (San Bernardino County Transportation Authority)
- $3.6 million additional appropriations for Municipal Services Center Relocation offsite improvements, bridge upgrades, and design plans phase
- $2.4 million additional appropriation for Water Main Transit/Emporia Project
- $1.6 million additional appropriation for Laurel Avenue Sewer Main Improvement Project
- $1.2 million additional appropriation for Archibald Avenue Sewer Diversion Project
- $1.0 million reduction for the Information Technology Modernize Desktop Project

CalPERS

The California State Public Employees Retirement System (CalPERS) is underfunded, primarily due

to lower than projected earning rates combined with recent significant investment losses in the second quarter of the fiscal year. This has resulted in an estimated overall increase of over 105% in pension costs in the last five years. In addition, the City has experienced major increases in the CalPERS Unfunded Accrued Liability (UAL) payments over the last two years due to higher contractual labor increases than projected by CalPERS and substantial growth in number of active and retiree employees enrolled in CalPERS. The CalPERS UAL costs will increase from $0 in FY 2023-24 to $14.9 million in FY 2026-27. This upward trend is projected to continue in the future and will have a significant impact on the City's financial forecast.

Economic Outlook

The following economic indicators are the most recent measures of economic activity.

Gross Domestic Product (GDP): The broadest measure of economic output, increased at an annual rate of 0.5% in the fourth quarter of 2025, according to the most recent released estimate. This was an increase compared to the third quarter of 2025, in which the real GDP increased by 4.4%. This decline in the fourth quarter reflects a sharp contraction in government spending, decelerating consumer spending, and reduced investment. (Source: Bureau of Economic Analysis)

Unemployment Rate: The national unemployment rate slightly decreased to 4.3% in March 2026 compared to the 4.5% reported for December 2025. Comparing the current national rate to the previous year rate of 4.3%, it has remained steady. California's unemployment rate slightly decreased to 5.4% in February 2026 compared to 5.5% in December 2025, and a slight decrease compared to the prior year's rate of 5.5%. Locally, the unemployment rate in the Riverside-San Bernardino-Ontario was 5.3% in February 2026, down from a revised 5.4% in January 2026, and above the year-ago estimate of 5.1%. (Source: US Bureau of Labor Statistics)

Consumer Price Index (CPI): This rate is utilized to track changes in the prices of goods and services and is a useful tool for tracking inflation or the cost of living. For March 2026, the Riverside-San Bernardino-Ontario metropolitan area's CPI rate increased by 3.1% over the last 12-month period. This increase in CPI mainly driven by increases in energy and gas prices. (Source: US Bureau of Labor Statistics).

Housing Market: California's home sales remained sluggish in the first quarter of the year. March's statewide median home price rocketed 7.1% to $889,190 from February but only crept up 0.4% from $885,900 in March 2025. As the market enters the spring homebuying season, prices are expected to climb, but lingering concerns about geopolitical tensions and the risk of higher inflation may continue to constrain the pace of price growth in the months ahead.

Overall, home sales in the Inland Empire for March 2026 increased 31.1% compared to the previous month, and a 2.3% increase compared to the same time period in the previous year. (Source: HdL Coren and Cone)

Conclusion

As the City recovers from the last six years of economic disruption from the COVID pandemic, other challenges still exist with the continued conflicts worldwide; rising consumer good prices; continued

high interest rates even with recent rate cuts by the Federal Reserve; the possibility of a recession as a result of the latest jobs report which indicates a much slower economy than previously reported; the unknown fiscal impacts from tariffs on the purchase of imported goods imposed by the federal administration; and rising employee pension and medical costs. Even with the anticipated additional resources, the City will need to continue to practice fiscal discipline and establish proactive measures to safely navigate the current and upcoming fiscal challenges, as well as deliver an unparalleled level of service and commitment to our community.

The Adopted Operating Budget for Fiscal Year 2025-26, as modified through this Third Quarter Update, reflects the City Council's continued commitment to support high quality public safety and municipal services, provides for the maintenance and expansion needs of the City's infrastructure and facilities, profiles an aggressive economic development strategy, and assures the investment and reinvestment of the City's resources into the community - all in the name of affording Ontario residents and businesses an exceptional quality of life. With the City Council's leadership and their prudent fiscal policies, the City's long-term financial health will further solidify its standing as the economic leader in the Inland Empire, and a formidable player in California and the nation.

Fiscal Year 2025-26
Third Quarter Budget Update

May 5, 2026

City of Ontario
Fiscal Year 2025-26
Third Quarter Budget Update Report

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City of Ontario
General Fund Revenue by Category
Fiscal Year 2025-26
Third Quarter Budget Update

Category	FY 2025-26 Adopted Budget	First Quarter Budget Update	Mid-Year Budget Update	Third Quarter Budget Update	FY 2025-26 Current Budget	Actuals as of 3/31/26	% Received
Sales Tax	$ 204,715,000	$ -	$ 3,000,000	$ 3,100,000 [5]	$ 210,815,000	$ 125,265,400	59.4%
Property Tax	112,750,000	-	-	587,000 [6]	113,337,000	65,484,700	57.8%
Transient Occupancy Tax	18,000,000	-	-	(1,000,000) [7]	17,000,000	9,696,387	57.0%
Business License Tax	11,500,000	-	-	-	11,500,000	7,278,408	63.3%
Parking Tax	4,700,000	-	-	-	4,700,000	3,053,423	65.0%
Other Taxes [1]	6,525,000	-	-	(525,000) [8]	6,000,000	1,653,570	27.6%
Licenses and Permits	7,685,160	-	-	2,150,000 [9]	9,835,160	7,149,288	72.7%
Intergovernmental [2]	11,122,947	-	-	-	11,122,947	8,355,180	75.1%
Charges for Services [3]	33,897,117	20,000	44,450	450,000 [10]	34,411,567	19,105,323	55.5%
Charges for Services - OIAA [4]	24,821,242	-	-	-	24,821,242	16,547,495	66.7%
Use of Money & Property	1,615,000	-	-	1,300,000 [11]	2,915,000	2,105,728	72.2%
Fines and Forfeitures	996,000	-	-	1,475,000 [12]	2,471,000	1,949,043	78.9%
Miscellaneous	6,905,457	1,648,022	-	-	8,553,479	2,812,386	32.9%
Total General Fund Revenues	**$ 445,232,923**	**$ 1,668,022**	**$ 3,044,450**	**$ 7,537,000**	**$ 457,482,395**	**$ 270,456,331**	**59.1%**
Transfers-In	2,000,000	433,378	-	-	2,433,378	2,433,378	100.0%
TOTAL RESOURCES	**$ 447,232,923**	**$ 2,101,400**	**$ 3,044,450**	**$ 7,537,000**	**$ 459,915,773**	**$ 272,889,709**	**59.3%**

[1] Other Taxes includes Franchise Tax ($4.8M) and Property Transfer Tax ($1.5M).
[2] Intergovernmental includes Cost Allocation Plan Revenue, Disability, Worker's Compensation, & Unemployment Internal Service Allocation Revenue.
[3] Charges for Services includes Special Districts Service Charges ($13.7M).
[4] City Services including Police & Fire to Ontario International Airport Authority (OIAA).
[5] Includes Sales Tax - Bradley Burns increase in point of sale revenue of $3.1M.
[6] Property Tax includes a $837K increase to Vehicle License Fee (VLF) Swap due to higher trending revenue and a ($100K) reduction to Aircraft and ($150K) RDA Residual due to lower trending revenue.
[7] Transient Occupancy Tax (TOT) includes a ($1M) reduction due to lower trending revenue.
[8] Other Taxes includes a ($525K) reduction Franchise Fee Revenue due to lower trending revenue.
[9] Licenses and Permits includes a $1.2M increase to Building Permits, $800K to Electrical Permits and a $150K Mechanical Permits due to higher trending revenue.
[10] Charges for Services includes $150K for Animal Resource Center of the Inland Empire Administrative Agreement revenue, a $100K increase to Community Center Programs, $100K to General Plan/Specific Plan - OMC and $100K to Subdivision/Map Application Fee - NMC due to higher trending revenue.
[11] Use of Money & Property includes a $1.3M increase to Interest Income due to higher trending revenue.
[12] Fines and Forfeitures includes a $1.3M increase to Vehicle Code Fines, $125K to City Code Fines and $50K to Code Enforcement Fines due to higher trending revenue.

EXHIBIT A

City of Ontario
General Fund Expenditures by Category
Fiscal Year 2025-26
Third Quarter Budget Update

	FY 2025-26 Adopted Budget	CIP/Grants/POs Carryforward	First Quarter Budget Update	Mid-Year Budget Update	Third Quarter Budget Update	FY 2025-26 Current Budget	Actuals as of 3/31/26 [1]	% Expended
Personnel Costs	$ 225,314,401	$ -	$ 103,489	$ 112,394	$ 5,107,622 [2]	$ 230,637,906	$ 165,649,379	71.8%
CalPERS Pension Costs	43,965,203	-	16,759	958,233	-	44,940,195	32,071,065	71.4%
Operating Expenditures	32,920,286	47,691	140,000	3,982,883	332,173 [3]	37,423,033	27,497,570	73.5%
Contractual Services	26,405,460	-	-	1,032,000	-	27,437,460	17,837,603	65.0%
Internal Service Allocations	51,400,418	-	1,378	(4,697)	-	51,397,099	38,510,225	74.9%
Reimbursement / Contribution Expense	10,988,500	-	-	-	-	10,988,500	4,757,234	43.3%
Capital Expenditures	-	63,947	-	-	31,252 [4]	95,199	94,936	99.7%
Total Operating Expenditures	**$ 390,994,268**	**$ 111,638**	**$ 261,626**	**$ 6,080,813**	**$ 5,471,047**	**$ 402,919,392**	**$ 286,418,012**	**71.1%**
Transfers-Out	56,238,655	-	3,433,378 [5]	-	-	59,672,033	59,238,655	99.3%
Total General Fund Appropriations	**$ 447,232,923**	**$ 111,638**	**$ 3,695,004**	**$ 6,080,813**	**$ 5,471,047**	**$ 462,591,425**	**$ 345,656,667**	**74.7%**

[1] Excludes obligations/PO's.

[2] Personnel Costs includes $5.1M appropriations for Police Safety Overtime.

[3] Operating Expenditures includes $213K for Pre-Opening Expenses for Sports Facilities Management LLC., $150K for Toyota Arena turf replacement, and reduction of ($31K) for Police Zero-Impact Budget for Capital Expenditures.

[4] Capital Expenditures includes $31K for Police Zero-Impact Budget for Capital Expenditures from Operating Expenditures.

[5] Transfers-Out includes $3M to Facilities Maintenance ISF Fund to shore up its fund balance and $433K to establish the City's Local Affordable Housing Trust Fund.

EXHIBIT A

City of Ontario
General Fund Expenditures by Agency
Fiscal Year 2025-26
Third Quarter Budget Update

	FY 2025-26 Adopted Budget	CIP/Grants/POs Carryforward	First Quarter Budget Update	Mid-Year Budget Update	Third Quarter Budget Update	FY2025-26 Current Budget	Actuals as of 3/31/26 [1]	% Expended
Community Development	$ 25,682,232	$ -	$ 42,974	$ 107,556	$ -	$ 25,832,762	$ 18,955,787	73.4%
Community Life & Culture	33,629,666	-	19,434	1,110,924	213,425 [2]	34,973,449	23,771,403	68.0%
Economic Development	21,877,421	-	-	2,692,073	150,000 [3]	24,719,494	16,501,721	66.8%
Financial Services	11,913,846	-	(31,408)	40,739	-	11,923,177	8,145,146	68.3%
Human Resources/Risk Management	7,267,500	-	(17,852)	(3,143)	-	7,246,505	4,928,021	68.0%
Management Services	11,085,493	-	2,914	1,279,253	-	12,367,660	9,295,931	75.2%
Ontario Fire Department	102,878,946	63,947	-	260,583	-	103,203,476	74,635,197	72.3%
Ontario Police Department	141,956,517	47,691	122,434	555,676	5,107,622 [4]	147,789,940	106,987,639	72.4%
Public Works	34,702,647	-	123,130	37,152	-	34,862,929	23,197,166	66.5%
Total General Fund Agencies	**$ 390,994,268**	**$ 111,638**	**$ 261,626**	**$ 6,080,813**	**$ 5,471,047**	**$ 402,919,392**	**$ 286,418,012**	**71.1%**
Transfers-Out	56,238,655	-	3,433,378	-	-	59,672,033	59,238,655	99.3%
Total Appropriations & Transfers-Out	**$ 447,232,923**	**$ 111,638**	**$ 3,695,004**	**$ 6,080,813**	**$ 5,471,047**	**$ 462,591,425**	**$ 345,656,667**	**74.7%**

[1] Excludes obligations/PO's.
[2] Community Life & Culture includes approximately $213K for Pre-Opening Expenses for Sports Facilities Management LLC.
[3] Economic Development includes $150K for Toyota Arena turf replacement.
[4] Police Department includes $5.1M appropriations for Police Safety Overtime and $31K for Police Zero-Impact Budget for Capital Expenditures from Operating Expenditures (net impact is $0).

City of Ontario
General Fund Budget Summary
Fiscal Year 2025-26
Third Quarter Budget Update

Fiscal Year 2025-26 Current Budget:		
Beginning Fund Balance[1]		**$ 87,610,976**
Fiscal Year 2025-26 Adopted Budget:		
Resources & Transfers-In	$ 447,232,923	
Appropriations & Transfers-Out	(447,232,923)	
First Quarter Budget Recommendations		
Resources & Transfers-In	2,101,400	
Appropriations & Transfers-Out	(3,695,004)	
Fiscal Year 2024-25 Carryforward Obligations	(111,638)	
Mid-Year Budget Recommendations		
Resources & Transfers-In	3,044,450	
Appropriations & Transfers-Out	(6,080,813)	
Third Quarter Budget Recommendations		
Resources & Transfers-In	7,537,000	
Appropriations & Transfers-Out	(5,471,047)	
Budget Surplus/(Deficit)		***$ (2,675,652)***
Estimated Ending Fund Balance		**$ 84,935,324**
Estimated General Fund Reserve 20%[2]		**21.1%**

[1] Beginning Fund Balance for 07/01/2025 is based on June 30, 2025, ACFR.

[2] For FY 2025-26, the Council approved reserve level is 20% with the goal of increasing the reserves up to 25% in future fiscal years.

EXHIBIT A

City of Ontario
Citywide Expenditures by Fund Type
Fiscal Year 2025-26
Third Quarter Budget Update

	FY 2025-26 Adopted Budget	CIP/Grants/POs Carryforward	First Quarter Budget Update	Mid-Year Budget Update	Third Quarter Budget Update	FY2025-26 Current Budget	Actuals as of 3/31/2026 [1]	% Expended
General Fund	$ 447,232,923	$ 111,638	$ 3,695,004	$ 6,080,813	$ 5,471,047 [2]	$ 462,591,425	$ 345,698,148	74.7%
Special Revenue Fund	87,396,147	52,534,478	6,221,271	16,029,123	52,763,105 [3]	214,944,124	110,694,252	51.5%
Debt Service Fund	26,290,509	-	-	-	-	26,290,509	12,465,399	47.4%
Capital Projects Fund	644,660,576	125,866,022	9,096,662	(3,027,165)	54,368,756 [4]	830,964,851	473,238,987	57.0%
Enterprise Funds	290,964,819	20,029,624	1,093,626	25,072,825	56,110 [5]	337,217,004	180,548,267	53.5%
Internal Service Funds	155,167,468	4,504,356	3,994,204	2,945,306	551,265 [6]	167,162,599	108,391,276	64.8%
Total City Funds	**$ 1,651,712,442**	**$ 203,046,118**	**$ 24,100,767**	**$ 47,100,902**	**$ 113,210,283**	**$ 2,039,170,512**	**$ 1,231,036,328**	**60.4%**
Ontario Housing Authority	2,033,466	6,697,558	310,000	3,981	-	9,045,005	1,696,602	18.8%
Total All Funds	**$ 1,653,745,908**	**$ 209,743,676**	**$ 24,410,767**	**$ 47,104,883**	**$ 113,210,283**	**$ 2,048,215,517**	**$ 1,232,732,931**	**60.2%**

[1] Excludes obligations/PO's.

[2] General Fund includes $5.1M for appropriations for Police Safety Overtime Costs, $213K for Pre-Opening Expense for Sports Facilities Management LLC for the Ontario Sports Empire Sports Fields, and $150K to the Toyota Arena for turf replacement.

[3] Special Revenue Funds includes $47.0M for the acquisition of 2350-2630 East Inland Empire Boulevard (formerly Ikea warehouse), $2.8M for the Ontario Sports Empire Vineyard Street Project - Measure I Valley Major Projects (reimbursable), $943K for Euclid Avenue Smart Arterial Corridor funded by Measure I Valley Major Projects, and $500K for Fire Strike Team overtime (reimbursable).

[4] Capital Projects Funds includes $30M for Ontario Sports Empire - Capital Projects Contribution to Sewer Capital, $19.5M for acquisition of the Capital City - Temporary Parking Lot property, $3.6M Municipal Services Center Relocation Project Appropriation, $2.2M in Ontario Sports Empire - Vineyard Street Project DIF Match to Measure I Valley Major Projects, ($308K) reduction to Bon View Avenue Water Main Improvements project, and ($533K) for closeout of Ontario Ranch Phase II Water Main Project.

[5] Enterprise Funds includes $2.4M for Water Main Transit/Emporia Project Completion, $1.6M for Laurel Avenue Sewer Main Improvement, $1.2M Archibald Avenue Sewer Diversion, and ($8.5M) closeout of Ontario Sports Empire Sewer Project, and ($533K) for closeout of Ontario Ranch Phase II Water Main Project.

[6] Internal Service Funds includes $713K for Municipal Services Center Relocation Funding Contribution, ($1.0M) reduction to the Modernize Desktop project, and $838K in additional Public Works Building Facilities Costs.

City of Ontario
Citywide Expenditures by Category
Fiscal Year 2025-26
Third Quarter Budget Update

	FY 2025-26 Adopted Budget	CIP/Grants/POs Carryforward	First Quarter Budget Update	Mid-Year Budget Update	Third Quarter Budget Update	FY2025-26 Current Budget	Actuals as of 3/31/26 [1]	% Expended
Personnel Costs	$ 301,823,089	$ 3,868,403	$ 287,483	$ 1,786,139	$ 6,292,232 [2]	$ 314,057,346	$ 223,931,946	71.3%
CalPERS Pension Costs	51,410,282	114,887	16,856	1,258,584	-	52,800,609	37,823,993	71.6%
Operating Expenditures	251,592,617	8,724,713	2,601,577	10,312,989	1,134,381 [3]	274,366,277	198,946,370	72.5%
Contractual Services	754,768,948	145,699,277	9,898,822	3,366,211	6,942,661 [4]	920,675,919	481,351,584	52.3%
Internal Service Allocations	91,703,448	5,300	1,278	3,840	-	91,713,866	68,810,767	75.0%
Reimbursement / Contribution Expense	31,421,403	5,606,776	298,813	11,082,331	34,862,091 [5]	83,271,414	14,893,713	17.9%
Debt Service	57,042,055	21,876,813	1,039,951	8,250,246	-	88,209,065	36,345,681	41.2%
Capital Expenditures	29,651,530	23,847,507	2,913,892	319,543	63,978,918 [6]	120,711,390	80,944,123	67.1%
Total Operating Expenditures	**$ 1,569,413,372**	**$ 209,743,676**	**$ 17,058,672**	**$ 36,379,883**	**$ 113,210,283**	**$ 1,945,805,886**	**$ 1,143,048,178**	**58.7%**
Transfers-Out	84,332,536	-	7,352,095	10,725,000	-	102,409,631	89,684,753	87.6%
Total Citywide Appropriations	**$ 1,653,745,908**	**$ 209,743,676**	**$ 24,410,767**	**$ 47,104,883**	**$ 113,210,283**	**$ 2,048,215,517**	**$ 1,232,732,931**	**60.2%**

[1] Excludes obligations/PO's.

[2] Personnel Costs includes $5.1M for appropriations for Police Safety Overtime Costs, $350K in Citywide Personnel Costs Funded by City Grants Awarded and $835K for Fire Strike Team Overtime (reimbursable).

[3] Operating Expenditures includes $838K for additional Public Works Building Facilities Costs, $635K for the Onsite Chlorine Generators Design, $328K for appropriation funded by City Grants Awarded, $213K for Pre-Opening Expenses for Sports Facilities Management LLC, $150K Increase to Toyota Arena for turf replacement, and ($1.0M) reduction to the Modernize Desktop project.

[4] Contractual Services includes $5M for the Ontario Sports Empire Vineyard Street Project funded by Measure I Valley Major Projects ($2.8M reimbursable), $3.5M for the Municipal Services Center Relocation, $1.6M for Laurel Avenue Sewer Main Improvement, $1.2M Archibald Avenue Sewer Diversion, ($8.5M) closeout of Ontario Sports Empire Sewer Project, and ($533K) for closeout of Ontario Ranch Phase II Water Main Project.

[5] Reimbursement includes $2.4M for Water Main Transit/Emporia Project Completion, ($308K) reduction to the Bon View Avenue Water Main Improvements project, Contribution Expense includes $30M for Ontario Sports Empire - Capital Projects Contribution to Sewer Capital, and $2.8M for Municipal Services Center Relocation Funding Contribution.

[6] Capital Expenditures include $47.0M for the acquisition of 2350-2630 East Inland Empire Boulevard (formerly Ikea warehouse - Land Held for Resale) and $19.5M for acquisition of the Capital City - Temporary Parking Lot property.

City of Ontario
Authorized Full-Time Positions
Fiscal Year 2025-26
Third Quarter Budget Update

Agency	FY 2025-26 Adopted Budget	Recommended First Quarter Budget Update	Recommended Mid-Year Budget Update	Recommended Third Quarter Budget Update	Total Authorized Full-Time Positions
Community Development	84.00	-	(1.00)	-	83.00
Community Life & Culture	102.00	-	-	-	102.00
Economic Development	9.00	-	-	-	9.00
Financial Services	56.00	-	1.00	-	57.00
Human Resources	31.00	-	-	-	31.00
Information Technology	53.00	-	-	-	53.00
Management Services	42.00	-	-	-	42.00
Ontario Fire Department[1]	265.00	-	-	-	265.00
Ontario Municipal Utilities Company	139.00	-	-	-	139.00
Ontario Police Department[2]	429.00	-	-	-	429.00
Public Works	307.00	-	-	-	307.00
Total Authorized Full-Time Positions	**1,517.00**	**-**	**-**	**-**	**1,517.00**
General Fund	1,062.64	-	(1.10)	-	1,061.54
Other Funds	454.36	-	1.10	-	455.46
Total FTE All Funds	**1,517.00**	**-**	**-**	**-**	**1,517.00**
[1] OFD positions includes the following sworn positions	213.00	-	-	-	213.00
[2] OPD positions includes the following sworn positions	316.00	-	-	-	316.00

City of Ontario
Budget Adjustment by Agency
Fiscal Year 2025-26
Third Quarter Budget Update

Agency	Description	Appropriation Adjustment	General Fund	Other Funds
Community Life & Culture				
	FY 2025-26 AmeriCorps Continuation Grant GR2612	368,000	-	368,000
	NRPA Coach Training GR2611	2,500	-	2,500
	Lunch at the Library (LATL) GR2615	39,261	-	39,261
	Pre-Opening Expenses for Sports Facilities Management LLC	213,425	213,425	-
		623,186	**213,425**	**409,761**
Economic Development				
	Increase to Toyota Arena contribution for turf replacement	150,000	150,000	-
	2350-2630 East Inland Empire Boulevard Property Acquisition	46,959,433	-	46,959,433
	Capital City - Temporary Parking Lot Property Acquisition	19,500,000	-	19,500,000
		66,609,433	**150,000**	**66,459,433**
Financial Services				
	Ontario Sports Empire - Capital Projects Contribution to Sewer Capital	30,000,000	-	30,000,000
		30,000,000	**-**	**30,000,000**
Information Technology				
	Modernize Desktop Project Reduction	(1,000,000)	-	(1,000,000)
		(1,000,000)	**-**	**(1,000,000)**

City of Ontario
Budget Adjustment by Agency
Fiscal Year 2025-26
Third Quarter Budget Update

Agency	Description	Appropriation Adjustment	General Fund	Other Funds
Municipal Utilities Company				
	Archibald Avenue Sewer Diversion	1,200,000	-	1,200,000
	Bon View Avenue Water Main Improvements	(381,194)	-	(381,194)
	Facility Site Security Improvements	428,000	-	428,000
	Inland Empire Utilities Agency South Archibald TCE Plume	500,000	-	500,000
	Laurel Avenue Sewer Main Improvement	1,550,600	-	1,550,600
	Milliken 1010' to 1212' Booster Station Upgrades	220,000	-	220,000
	Municipal Services Center Relocation Contribution	1,426,530	-	1,426,530
	New Well No. 43 Project Closeout	(39,386)	-	(39,386)
	North Vineyard Sanitary Sewer Project	410,000	-	410,000
	Onsite Chlorine Generators Design	635,750	-	635,750
	Ontario Ranch Phase II Water Main Project Closeout	(603,126)	-	(603,126)
	Ontario Sports Empire Sewer Project Closeout	(8,500,000)	-	(8,500,000)
	San Antonio Avenue 1212 Phase 3 Closeout	(878,874)	-	(878,874)
	Water Main Transit/Emporia Project Completion	2,390,225	-	2,390,225
		(1,641,475)	**-**	**(1,641,475)**
Ontario Fire Department				
	Additional Fire Mutual Aid Overtime for Strike Team	835,000	-	835,000
		835,000	**-**	**835,000**
Ontario Police Department				
	Citizen's Option for Public Safety (COPS/ELEAS Grant) FY2026 GR2613	281,812	-	281,812
	Police Department SWAT Capital Equipment Zero Impact	-	-	-
	Appropriations for Police Safety Overtime	5,107,622	5,107,622	-
		5,389,434	**5,107,622**	**281,812**

City of Ontario
Budget Adjustment by Agency
Fiscal Year 2025-26
Third Quarter Budget Update

Agency	Description	Appropriation Adjustment	General Fund	Other Funds
Public Works				
	Regional Early Action Planning Grants Program (REAP 2.0) GR2614	233,949	-	233,949
	Euclid Avenue Smart Arterial Corridor Appropriation	1,179,900	-	1,179,900
	Municipal Services Center Relocation Contribution	1,426,530	-	1,426,530
	Municipal Services Center Relocation Project Appropriation	3,566,326	-	3,566,326
	Ontario Sports Empire - Vineyard Street Project - Measure I Valley Major Projects ($2.8M reimbursable)	5,000,000	-	5,000,000
	Public Works Building Facilities Additional Costs/Repairs and Maintenance	838,000	-	838,000
	State Route 60/Euclid Avenue Interchange Improvements	150,000	-	150,000
		12,394,705	**-**	**12,394,705**
	Total Expenditures	113,210,283	5,471,047	107,739,236
	Transfers-Out	-	-	-
	Grand Total	**113,210,283**	**5,471,047**	**107,739,236**

City of Ontario
Detail of Recommended Budget Adjustments by Fund
Fiscal Year 2025-26
Third Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact (Use of Fund Balance)
GENERAL FUND					
Fund 1000 - General Fund					
Increase to Toyota Arena contribution for turf replacement	$ 150,000	$ -	$ -	$ -	$ (150,000)
Appropriations for Police Safety Overtime	5,107,622	-	-	-	(5,107,622)
Police Department SWAT Capital Equipment Zero-Impact	-	-	-	-	-
Pre-Opening Expenses for Sports Facilities Management LLC	213,425	-	-	-	(213,425)
Reduction in Transient Occupancy Tax (TOT) due to lower trending revenue	-	(1,000,000)	-	-	(1,000,000)
Reduction in Franchise Fee revenue due to lower trending revenue	-	(525,000)	-	-	(525,000)
Reduction in Property Tax - RDA Residual due to lower trending revenue	-	(150,000)	-	-	(150,000)
Reduction in Property Tax - Aircraft due to lower trending revenue	-	(100,000)	-	-	(100,000)
Increase to Property Tax - Vehicle License Fee (VLF) Swap revenue due to higher trending revenue	-	837,000	-	-	837,000
Increase in Code Enforcement Fines revenue due to higher trending revenue	-	50,000	-	-	50,000
Animal Resource Center of the Inland Empire Administrative Agreement revenue	-	150,000	-	-	150,000
Increase in Community Programs revenue due to higher trending revenue	-	100,000	-	-	100,000
Increase in City Code Fines revenue due to higher trending revenue	-	125,000	-	-	125,000
Increase in Mechanical Permits revenue due to higher trending revenue	-	150,000	-	-	150,000
Increase in Interest Income revenue due to higher trending revenue	-	1,300,000	-	-	1,300,000
Increase in Vehicle Code Fines revenue due to higher trending revenue	-	1,300,000	-	-	1,300,000
Increase in Building Permits revenue due to higher trending revenue	-	1,200,000	-	-	1,200,000
Increase in Subdivision/Map Application Fee - NMC due to higher trending revenue	-	100,000	-	-	100,000
Increase in General Plan/Specific Plan - OMC due to higher trending revenue	-	100,000	-	-	100,000
Increase in Electrical Permits revenue due to higher trending revenue	-	800,000	-	-	800,000
Bradley Burns Sales Tax increase in point of sales revenue	-	3,100,000	-	-	3,100,000
GENERAL FUND TOTAL	**$ 5,471,047**	**$ 7,537,000**	**$ -**	**$ -**	**$ 2,065,953**

City of Ontario
Detail of Recommended Budget Adjustments by Fund
Fiscal Year 2025-26
Third Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact (Use of Fund Balance)
SPECIAL REVENUE FUNDS					
Fund 2220 - Measure I Valley Major Project					
Euclid Avenue Smart Arterial Corridor Appropriation	$ 943,000	$ 943,000	$ -	$ -	$ -
Ontario Sports Empire - Vineyard Street Project - Measure I Valley Major Projects (reimbursable)	2,780,000	2,780,000	-	-	-
State Route 60/Euclid Avenue Interchange Improvements	83,250	83,250	-	-	-
	3,806,250	3,806,250	-	-	-
Fund 2400 - General Fund Grants					
Regional Early Action Planning Grants Program (REAP 2.0) GR2614	233,949	233,949	-	-	-
FY 2025-26 AmeriCorps Continuation Grant GR2612	368,000	368,000	-	-	-
NRPA Coach Training GR2611	2,500	2,500	-	-	-
Citizen's Option for Public Safety (COPS/ELEAS Grant) FY2026 GR2613	281,812	281,812	-	-	-
Lunch at the Library (LATL) GR2615	39,261	39,261	-	-	-
	925,522	925,522	-	-	-
Fund 2513 - Fire Mutual Aid					
Additional Fire Mutual Aid Overtime for Strike Team	835,000	835,000	-	-	-
	835,000	835,000	-	-	-
Fund 2531 - Road Maint & Rehab Acct (SB1)					
Euclid Avenue Smart Arterial Corridor Appropriation	236,900	-	-	-	(236,900)
	236,900	-	-	-	(236,900)
Fund 2570 - Economic Development Activities Fund					
2350-2630 East Inland Empire Boulevard Property Acquisition	46,959,433	46,959,433	-	-	-
	46,959,433	46,959,433	-	-	-
SPECIAL REVENUE FUNDS TOTAL	**$ 52,763,105**	**$ 52,526,205**	**$ -**	**$ -**	**$ (236,900)**

City of Ontario
Detail of Recommended Budget Adjustments by Fund
Fiscal Year 2025-26
Third Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact (Use of Fund Balance)
CAPITAL PROJECT FUNDS					
Fund 4010 - Capital Projects					
2026 Lease Revenue Bond Proceeds	$ -	$ 130,000,000	$ -	$ -	$ 130,000,000
Ontario Sports Empire - Capital Projects Contribution to Sewer Capital	30,000,000	-	-	-	(30,000,000)
Municipal Services Center Relocation	3,566,326	2,853,060	-	-	(713,266)
Capital City - Temporary Parking Lot Property Acquisition	19,500,000	-	-	-	(19,500,000)
	53,066,326	132,853,060	-	-	79,786,734
Fund 4314 - OMC - Local Adjacent Water					
Bon View Avenue Water Main Improvements	(381,194)	-	-	-	381,194
	(381,194)	-	-	-	381,194
Fund 4413 - Ontario Ranch - Local Adjacent Streets					
Ontario Sports Empire - Vineyard Street Project - Measure I Valley Major Projects Match	2,220,000	-	-	-	(2,220,000)
	2,220,000	-	-	-	(2,220,000)
Fund 4415 - Ontario Ranch - Local Adjacent Storm Drain					
Ontario Ranch Phase II Water Main Project Closeout	(603,126)	-	-	-	603,126
	(603,126)	-	-	-	603,126
Fund 4419 - Ontario Ranch - Regional Streets					
State Route 60/Euclid Avenue Interchange Improvements - Measure I Valley Major Projects Match	66,750	-	-	-	(66,750)
	66,750	-	-	-	(66,750)
					-
CAPITAL PROJECT FUNDS TOTAL	**$ 54,368,756**	**$ 132,853,060**	**$ -**	**$ -**	**$ 78,484,304**

City of Ontario
Detail of Recommended Budget Adjustments by Fund
Fiscal Year 2025-26
Third Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact (Use of Fund Balance)
ENTERPRISE FUNDS					
Fund 5010 - Water Operating					
Inland Empire Utilities Agency South Archibald TCE Plume	$ 350,000	$ -	$ -	$ -	$ (350,000)
	350,000	-	-	-	(350,000)
Fund 5011 - Water Capital					
Facility Site Security Improvements	428,000	-	-	-	(428,000)
Municipal Services Center Relocation Contribution	713,265	-	-	-	(713,265)
San Antonio Avenue 1212 Phase 3 Closeout	(878,874)	-	-	-	878,874
Onsite Chlorine Generators Design	635,750	-	-	-	(635,750)
Water Main Transit/Emporia Project Completion	2,390,225	-	-	-	(2,390,225)
Milliken 1010' to 1212' Booster Station Upgrades	220,000	-	-	-	(220,000)
New Well No. 43 Project Closeout	(39,386)	-	-	-	39,386
	3,468,980	-	-	-	(3,468,980)
Fund 5110 - Sewer Operating					
Inland Empire Utilities Agency South Archibald TCE Plume	150,000	-	-	-	(150,000)
	150,000	-	-	-	(150,000)
Fund 5111 - Sewer Capital					
Municipal Services Center Relocation Contribution	713,265	-	-	-	(713,265)
Archibald Avenue Sewer Diversion	1,200,000	-	-	-	(1,200,000)
North Vineyard Sanitary Sewer Project	410,000	-	-	-	(410,000)
Laurel Avenue Sewer Main Improvement	1,550,600	-	-	-	(1,550,600)
Ontario Sports Empire - Capital Projects Contribution to Sewer Capital	-	30,000,000	-	-	30,000,000
Ontario Sports Empire Sewer Project Closeout	(8,500,000)	-	-	-	8,500,000
	(4,626,135)	30,000,000	-	-	34,626,135
Fund 5210 - Integrated Waste					
Municipal Services Center Relocation Contribution	713,265	-	-	-	(713,265)
	713,265	-	-	-	(713,265)
ENTERPRISE FUNDS TOTAL	**$ 56,110**	**$ 30,000,000**	**$ -**	**$ -**	**$ 29,943,890**

City of Ontario
Detail of Recommended Budget Adjustments by Fund
Fiscal Year 2025-26
Third Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact (Use of Fund Balance)
INTERNAL SERVICE FUNDS					
Fund 6010 - Equipment Services					
Municipal Services Center Relocation Contribution	$ 713,265	$ -	$ -	$ -	$ (713,265)
Fleet Vehicle Purchase Contributions	-	161,930	-	-	161,930
	713,265	161,930	-	-	(551,335)
Fund 6021 - Information Technology Capital Projects					
Modernize Desktop Project Reduction	(1,000,000)	-	-	-	1,000,000
	(1,000,000)	-	-	-	1,000,000
Fund 6030 - Facilities Maintenance					
Public Works Building Facilities Additional Costs/Repairs and Maintenance	838,000	-	-	-	(838,000)
	838,000	-	-	-	(838,000)
INTERNAL SERVICE FUNDS TOTAL	**$ 551,265**	**$ 161,930**	**$ -**	**$ -**	**$ (389,335)**
TOTAL CITY FUNDS BUDGET ADJUSTMENTS	**$ 113,210,283**	**$ 223,078,195**	**$ -**	**$ -**	**$ 109,867,912**
TOTAL ALL FUNDS BUDGET ADJUSTMENTS	**$ 113,210,283**	**$ 223,078,195**	**$ -**	**$ -**	**$ 109,867,912**

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Economic Development Prepared By: Peter Pallesen Department: Prepared By: Peter Pallesen Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Reviewed By: Charity Hernandez Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 5

SUBJECT: **FIRST AMENDMENT TO A LEASE AGREEMENT BETWEEN SANTA CLAUS OF THE CHAFFEY DISTRICT, INC. AND THE CITY OF ONTARIO**

RECOMMENDATION: That the City Council approve the First Amendment to the Lease Agreement between the Santa Claus of the Chaffey District, Inc., ("SCI"), as Lessee, and the City of Ontario, as Lessor, for use of certain City-owned property located at 1330 East "D" Street.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: The proposed lease rate payment is $180 per year.

BACKGROUND & ANALYSIS: Santa Claus of the Chaffey District, Inc. ("SCI") has operated as a community service organization since 1955. Their sole purpose is to provide toys and clothing at Christmas time for children in need. They serve families in Ontario, Montclair, Rancho Cucamonga, and Upland. They are a non-profit charitable organization fully comprised of a volunteer Board of Directors.

Each year, SCI repairs, reconditions, and assembles a huge variety of gifts for distribution at Christmas. The numbers are large, and the need is great, as they serve up to 5,000 children and families each year in the greater Ontario area.

SCI currently leases the building on the City park property located at 1330 East "D" Street. The building was originally constructed by SCI in 1967, pursuant to an Agreement with the City of Ontario ("City"), and upon completion of construction, the ownership of the building was transferred to the City. SCI is responsible for ongoing maintenance and repairs to the improvements and facility.

In 1967, the original lease agreement was executed and expired in June 1991. Subsequent lease agreements were then executed between the City and SCI in 1991, 2001, and 2016. On August 16,

2016, the City and SCI entered into a subsequent 5-year lease agreement ("Lease"), with an option to extend for an additional 5 years through August of 2026. This proposed First Amendment to the Lease would extend the term for a period of 60 months through August 16, 2031, and provide for an additional 5-year term to extend, for a new term ending August 16, 2036. Rent would remain unchanged at $180 per year.

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("**First Amendment**") is entered into as of April ____, 2026, (the "**Effective Date**") by and between **CITY OF ONTARIO**, a California municipal corporation ("**Lessor**"), and **SANTA CLAUS OF THE CHAFFEY DISTRICT, INC.,** a non-profit corporation ("**Lessee**").

1. Background. Lessor and Lessee are the current parties to that certain Lease dated August 16, 2016 (the "**Lease**") covering the Premises. The term is set to expire on August 16, 2026. The Parties desire to amend the Lease to extend the Term for a period of five (5) years subject to the terms and conditions of this First Amendment, and to otherwise amend the Lease in accordance with the terms below. Capitalized terms in this First Amendment shall have the same meaning as ascribed thereto in the Lease.

2. Extension of Lease Term. The Term is extended for a sixty (60) month period commencing on August 17, 2026 and expiring on August 16, 2031, unless sooner terminated in accordance with the terms of the Lease (the "**First Extension Term**").

3. Option to Renew. Lessee shall have one (1) option to renew the Lease and its occupancy of the Premises for one additional five (5) year period commencing on August 17, 2031 and expiring on August 16, 2036. Such option may be exercised at Lessee's sole discretion by written notice to Lessor delivered not more than one hundred eighty (180) days and not less than ninety (90) days prior to the expiration of the then-current term.

4. Confirmation of Rent. Section 3 of the Lease shall remain unchanged and shall continue in full force and effect during the new term and any renewal term, including, without limitation, Lessee's obligation to pay rent in the amount of One Hundred Eighty Dollars ($180.00) per year, payable on or before January 1 of each calendar year during the term of the Lease.

5. Brokers. Each party represents and warrants to the other that it has not dealt with any real estate broker or agent in connection with this First Amendment or its negotiation. Each party shall indemnify the other and hold it harmless from any cost, expense, or liability (including costs of suit and reasonable attorneys' fees) for any compensation, commission or fees claimed by any other real estate broker or agent in connection with this First Amendment or its negotiation by reason of any act or statement of the indemnifying party.

6. Entire Agreement. This First Amendment contains all of the agreements of the parties with respect to the subject matter hereof and all prior agreements, written or oral, with respect to the subject matter herein are superseded. If the terms of the Lease conflict with the terms of this First Amendment, the terms of this First Amendment shall control.

7. Ratification; Miscellaneous. Except as modified herein, the Lease is ratified, confirmed, and in full force and effect in all respects. This First Amendment may be executed in one or more counterparts. The provisions contained herein shall bind and inure to the benefit of the heirs and successors of the parties hereto. Lessor and Lessee agree that electronic signatures (including PDF, DocuSign, or similar) shall be valid, binding, and enforceable as original handwritten signatures.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the Effective Date.

Lessor:

CITY OF ONTARIO,
a California municipal corporation

By: _____
Scott Ochoa, City Manager

ATTEST:

_____
City Clerk

Lessee:

SANTA CLAUS OF THE CHAFFEY DISTRICT, INC.,
a non-profit corporation

By: _____
Rick Collins, Treasurer

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Information Technology Prepared By: Samantha Robles Staff Member Presenting: Colin Fernandes, Executive Director Information Technology Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 6

SUBJECT: **AN AMENDMENT TO THE SOFTWARE AS A SERVICE AGREEMENT WITH GRANICUS, LLC., FOR THE PEAK AGENDA MANAGEMENT, RENTAL ACTIVITY MONITORING, CLOUD COMMUNICATIONS, AND THE FREEDOM OF INFORMATION ACT MODULES**

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute an Amendment No. 2 to the Software as a Service Agreement with Granicus, LLC., of St. Paul, Minnesota, for the use of the Peak Agenda Management, Rental Activity Monitoring, Cloud Communications, and the Freedom of Information Act (FOIA) modules in the amount not-to-exceed $485,367 and an additional one-year term.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2025-26 adopted budget includes appropriations from the Information Technology Fund for annual subscriptions for Granicus Peak Agenda Management, Rental Activity Monitoring, Communications Cloud, and the FOIA modules. The proposed Amendment No. 2 to the Software as a Service Agreement increases the total contract amount by $138,386, including a one-year renewal for a total not-to-exceed amount of $485,367. The fixed billing rates specified in the Agreement will determine the amount charged for services and reflect the actual service provided. If approved, appropriations will be added to the future years' budgets consistent with the annual adoption process.

BACKGROUND & ANALYSIS: On May 27, 2020, the City entered a Service Agreement with Granicus for the Peak Agenda software, a broadcast device, and related software subscriptions. The Peak Agenda software streamlined the preparation, routing, and organization of agenda reports, improving internal efficiency and supporting informed decision-making. In April 2021, the City implemented GovQA, an automated public records request management system, to modernize and streamline records processing. The system reduced manual efforts, improved coordination across departments, enhanced response times, and increased transparency by providing the public with easier access to records and request tracking. Granicus acquired GovQA on August 26, 2021, further integrating the City's technology solutions. On August 15, 2023, the City expanded its partnership with Granicus by entering into a new agreement that added the Host Compliance

platform. This tool supports the identification and monitoring of short-term rental activity, facilitates community reporting, and enhances the City's ability to educate operators and enforce local regulations. The agreement was subsequently updated through Amendment No. 1 on April 16, 2024.

Staff recommends approval of Amendment No. 2, authorizing a one-year contract extension with Granicus to ensure continuity of these critical services while maintaining operational stability across multiple departments. The Granicus platform supports core City functions, including agenda management, public records processing, meeting broadcasting, and short-term rental compliance. A contract extension would avoid disruption to essential services currently relied upon by Staff and the public, maintain system integrations and established workflows across departments, and ensure continued transparency and public access to City services. Extending the agreement for one year is in the best interest to preserve service continuity while allowing Staff time to evaluate long-term needs and future procurement options. Staff requests City Council approval of a contract not-to-exceed amount of $485,367 and a one-year term.

CITY OF ONTARIO
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PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 2 TO THE SOFTWARE AS A SERVICE AGREEMENT BETWEEN THE CITY OF ONTARIO AND GRANICUS, LLC

1. Parties and Date.

This Amendment No. 2 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and Granicus, LLC, a Minnesota Limited Liability Company ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Consultant have entered into an agreement entitled "Software as a Services Agreement" dated 8/15/2023 ("Agreement").

2.2 Amendment Purpose. The City and the Consultant desire to amend the Agreement to extend the term and increase compensation. The Parties previously entered into Amendment No. 1 dated 4/16/2024.

2.3 Amendment Authority. This Amendment No. 2 is authorized pursuant to Section 3.7.15 of the Agreement.

3. Terms.

3.1 Amendment. Section 3.1.2 Term and 3.2.1 Compensation of the Agreement is hereby amended in its entirety to read as follows:

3.1.2 Term. The term of this Agreement shall be from May 1, 2023, to May 26, 2027 (unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **four hundred eighty-five thousand three hundred sixty-seven ($485,367)** without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

Exhibit "A" is hereby deleted in its entirety and replaced with Attachment A attached hereto and incorporated herein by reference.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 2, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 2. From and after the date of this Amendment No. 2, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 2.

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No.2.

3.4 Severability. If any portion of this Amendment No. 2 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5 Integration. This Amendment represents the entirety of the Parties' understanding relating to the subject of this Amendment, including written or verbal communications between the Parties, which shall have no relevance unless expressly incorporated herein. This is an integrated amendment.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 2 TO THE SOFTWARE AS A SERVICE AGREEMENT BETWEEN THE CITY OF ONTARIO AND GRANICUS, LLC

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 2 as of the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City of Ontario

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

GRANICUS, LLC

By:_____

Its:_____

Printed Name:_____

ATTACHMENT A

GRANICUS

THIS IS NOT AN INVOICE

Order Form
Prepared for
Ontario CA

Granicus Proposal for Ontario CA

ORDER DETAILS

Prepared By:	Dilana Vargas
Phone:	
Email:	dilana.vargas@granicus.com
Order #:	Q-512718
Prepared On:	05 Feb 2026
Expires On:	05 Mar 2026

ORDER TERMS

Currency:	USD
Payment Terms:	Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)
Current Subscription End Date:	26 May 2026
Period of Performance:	27 May 2026 - 26 May 2027

PRICING SUMMARY

The pricing and terms within this Proposal are specific to the products and volumes contained within this Proposal.

- *Once purchased data storage has been exceeded, data storage is billed in increments of 1TB over the purchased data storage amounts herein and will be assessed an additional annual fee of $1,200.00 and billed in arrears. Storage is reviewed annually and is adjusted at the next annual renewal. Throughout the term of the contract Ontario CA is able to contact Granicus for a report on how much storage has been used.*

Renewing Subscription Fees			
Solution	Billing Frequency	Quantity/Unit	Annual Fee
Address Identification and Monitoring	Annual	1 Each	$5,754.68
Meeting Efficiency Suite	Annual	1 Each	$0.00
Granicus Encoding Appliance Software (GT)	Annual	1 Each	$1,539.78
Government Transparency Suite	Annual	1 Each	$18,504.54
24/7 Hotline	Annual	1 Each	$1,883.22
Granicus Encoding Appliance Software (GT)	Annual	1 Each	$1,921.56
Peak Agenda Management	Annual	1 Each	$23,884.89
Compliance Outreach	Annual	1 Each	$2,406.33
ADFS/Single Sign-on Module	Annual	1 Each	$2,951.11
Rental Activity Audit	Annual	1 Each	$2,092.46
Essentials Package 2	Annual	1 Each	$19,182.24
FOIA Module Non Enterprise	Annual	1 Each	$1,475.55
Fortress Hosting	Annual	1 Each	$0.00
Certified Letters for Compliance Outreach	Annual	1 Each	$1,429.11
Hosted Data Storage (500 GB)	Annual	1 Each	$0.00
Esri Integration	Annual	1 Each	$3,572.78
Invoicing Module	Annual	1 Each	$0.00
Redaction License (per named user)	Annual	10 Each	$0.00
Communications Cloud	Annual	1 Each	$51,787.62
Open Platform Suite	Annual	1 Each	$0.00
Send Agenda (Peak)	Annual	1 Each	$0.00
govDelivery for Integrations	Annual	1 Each	$0.00
		SUBTOTAL:	$138,385.87

PRODUCT UPDATES

FOR INFORMATION ON RECENT AND UPCOMING PRODUCT ENHANCEMENTS ACROSS THE GRANICUS PORTFOLIO, PLEASE REFER TO THE SEMIANNUAL UPDATE INFORMATION ON THIS WEBPAGE:
: HTTPS://GRANICUS.COM/SEMIANNUAL-UPDATES/

PRODUCT DESCRIPTIONS

Solution	Description
Address Identification and Monitoring	Our state-of-the-art software provides ongoing monitoring of short-term rental platforms including major platforms such as Airbnb, VRBO, Booking.com, and FlipKey. We continually review and update our software to align with the evolving state of the platforms to provide a comprehensive dataset. Our machine learning will deduplicate all known Listings into unique Rental Units, where our identification team will provide owner contact information for further enforcement. This product includes: - Ongoing monitoring of all listings in your jurisdiction - Updating listing activity and details on a regular basis - Screenshot activity of every active listing - Deduplication of listings into unique Rental Units - Activity dashboard and map to monitor trends and breakdown of compliance.
Meeting Efficiency Suite	Meeting Efficiency is a hybrid Software-as-a-Service (SaaS) and Hardware-as-a-Service (HaaS) solution that enables government organizations to simplify the in-meeting management and post-meeting minutes creation processes of the clerk's office. By leveraging this solution, the client will be able to streamline meeting data capture and minutes production, reducing staff efforts and decreasing time to get minutes published. During a meeting, use LiveManager to record roll calls, motions, votes, notes, and speakers, all indexed with video. Use the index points to quickly edit minutes, templates to format in Microsoft Word, and publish online with the click of a button. Meeting Efficiency includes: • Unlimited user accounts • Unlimited meeting bodies • Unlimited storage of minutes documents • Access to the LiveManager software application for recording information during meetings • Access to the Word Add-in software component for minutes formatting in MS Word if desired • Up to one (1) MS Word minutes template (additional templates can be purchased if needed)
Granicus Encoding Appliance Software (GT)	Granicus Encoding Appliance Software (GT) This includes the LiveManager Software solution where webcasts are started/stopped, agendas amended and indexed, votes and attendance recorded, and minutes

Solution	Description
	created.
Government Transparency Suite	Government Transparency are the live in-meeting functions. Streaming of an event, pushing of documents, and indexing of events.
24/7 Hotline	24/7 web and phone hotline for your community to report short term rental complaints such as parking, trash, noise disturbances, and illegal short term rentals. This product include:- Mobile-enabled online web form for citizens to submit tips or complaints (text, videos, and photos) - 24/7 call center for citizens to contact and report complaints verbally - Recordings for all call center complaints - Email notifications to your team when complaints are logged - Automatic outbound IVR calls and SMS messages to permit emergency contacts notifying them of the complaint - SMS support for emergency contacts to mark a complaint as acknowledged or resolved with the ability to send resolution notes - Hotline Dashboard for tracking complaint volumes, trends, and categories - Ability to upload Notes/Comments to each complaint
Granicus Encoding Appliance Software (GT)	Granicus Encoding Appliance Software (GT) This includes the LiveManager Software solution where webcasts are started/stopped, agendas amended and indexed, votes and attendance recorded, and minutes created.
Peak Agenda Management	Peak Agenda Management is a Software-as-a-Service (SaaS) solution that enables government organizations to simplify the agenda management and minutes recording process of the clerk's office. Peak Agenda Management allows clerks to streamline the way they compile and produce agendas and record minutes for public meetings and includes: • Unlimited user accounts • Unlimited meeting bodies and meeting types • Access to up to one (1) Peak Agenda Management site
Compliance Outreach	Compliance monitoring provides up-to-date information for each identified Rental Unit and its compliance status. We configure your compliance definition specific to your jurisdiction rules and ordinances in order to provide up-to-date compliance status of each identified Rental Unit. Additionally, this product will:- Allow your team to send letters to non-compliant properties 24/7 - Configure letter templates with your branding and letterhead - Add as many letter sequences as you need for escalation - Monitor properties that become compliant after letter enforcement

Solution	Description
ADFS/Single Sign-on Module	ADFS/Single Sign-on Module
Rental Activity Audit	Ongoing monitoring of Short Term Rental listings for signs of rental activity including historical revenue estimates & occupancy. Coupled with our Tax Collection product, users can also compare historical revenue estimates to actual reported revenue to identify those that may be underreporting and underpaying sales tax (i.e. TOT).
Essentials Package 2	Essentials Package 2
FOIA Module Non Enterprise	A centralized public records request management and tracking platform which includes: A branded public portal for request intake with a patented, request deflection technology option Automated date calculation that uses public records law and organization work schedules to calculate request due dates Highly configurable workflow rules to automate request processing tasks Request tracking with monitoring tool, configurable escalations, and a complete audit trail A robust reporting suite
Fortress Hosting	Legacy - Fortress Hosting
Certified Letters for Compliance Outreach	The ability to send all letters via Certified mail for Compliance Monitoring
Hosted Data Storage (500 GB)	A secure, cloud-based repository for storing documents related to records requests, designed to meet public sector compliance standards while ensuring dependable access and retention.
Esri Integration	One way integration from Esri ArcGIS to Host Compliance for weekly property data (assessor data) syncing.
Invoicing Module	A secure, configurable way to generate and issue cost estimates and invoices for records requests—streamlining financial operations and supporting compliance with transparency and audit requirements.
Redaction License (per named user)	Named user licenses for in-app Redaction feature that provides secure, irreversible redaction through automated quality checks and multi-layer document flattening. Key features include:Automatic detection and

Solution	Description
	redaction of sensitive data through saved searches and pattern matchingManual redaction of images and text that is not machine readableBuilt-in exemption citations and optional legal redaction logsDraft saving, sharing, and merging for collaborative workflowsSecure storage of original and redacted versions with audit trails
Communications Cloud	The Cloud is a Software-as-a-Service (SaaS) solution that enables government organizations to connect with more people. By leveraging the Cloud, the client will be able to utilize a number of different outreach mediums, including email, SMS/text messages, RSS feeds, and social media integration to connect with its target audiences. The Cloud includes: • Unlimited email sends with industry-leading delivery and management of all bounces • Support to upload and migrate existing email lists • Access to participate in the govDelivery Network • Ability to send mass notifications to multiple devices • 24/7 system monitoring, email and phone support during business hours, auto-response to inbound messages from end users, and emergency support • Text-to-subscribe functionality • Up to 2 Web-hosted training sessions annually • Up to 50 administrators • Up to 1 govDelivery account(s) • Access to a complete archive of all data created by the client for 18 months (rolling) • Up to 3 hours of message template and integration development • Up to 100 subscription topics • Up to 100,000 SMS/text messages per year* *International numbers are not supported. SMS/text messages not used in the period of performance will not carry over to the following year.
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.
Send Agenda (Peak)	Send Agenda is dependent on an active subscription to the relevant govMeetings agenda.
govDelivery for Integrations	Send notification bulletins directly to constituents who subscribe to receive updates directly through Granicus (powered by govDelivery). Receive a monthly metrics report delivered via email to show subscriber growth and

Solution	Description
	engagement activity for the past month of bulletin sends, and grow subscribers through access to the Granicus Advanced Network. Note: govDelivery integrations is dependent on an active subscription to the relevant govMeetings agenda or govAccess CMS solutions.

GRANICUS ADVANCED NETWORK AND SUBSCRIBER INFORMATION

- **Granicus Communications Suite Subscriber Information.**
  - Data provided by the Client and contact information gathered through the Client's own web properties or activities will remain the property of the Client ('Direct Subscriber'), including any and all personally identifiable information (PII). Granicus will not release the data without the express written permission of the Client, unless required by law.
  - Granicus shall: (i) not disclose the Client's data except to any third parties as necessary to operate the Granicus Products and Services (provided that the Client hereby grants to Granicus a perpetual, non-cancelable, worldwide, non-exclusive license to utilize any data, on an anonymous or aggregate basis only, that arises from the use of the Granicus Products by the Client, whether disclosed on, subsequent to, or prior to the Effective Date, to improve the functionality of the Granicus Products and any other legitimate business purpose, including the right to sublicense such data to third parties, subject to all legal restrictions regarding the use and disclosure of such information).
- **Data obtained through the Granicus Advanced Network.**
  - Granicus offers a SaaS product, known as the Communications Cloud, that offers Direct Subscribers recommendations to subscribe to other Granicus Client's digital communication (the 'Advanced Network'). When a Direct Subscriber signs up through one of the recommendations of the Advanced Network, that subscriber is a 'Network Subscriber' to the agency it subscribed to through the Advanced Network.
  - Network Subscribers are available for use while the Client is under an active subscription with Granicus. Network Subscribers will not transfer to the Client upon termination of any Granicus Order, SOW, or Exhibit. The Client shall not use or transfer any of the Network Subscribers after termination of its Order, SOW, or Exhibit placed under this agreement. All information related to Network Subscribers must be destroyed by the Client within 15 calendar days of the Order, SOW, or Exhibit placed under this agreement terminating.
  - Opt-In. During the last 10 calendar days of the Client's subscription, the Client may send an opt-in email to Network Subscribers that shall include an explanation of the Client's relationship with Granicus terminating and that the Network Subscribers may visit the Client's website to subscribe to further updates from the Client in the future. Any Network Subscriber that does not opt-in will not be transferred with the subscriber list provided to the Client upon termination.

TERMS & CONDITIONS

- This quote, and all products and services delivered hereunder are governed by the terms located at https://granicus.com/legal/licensing, including any product-specific terms included therein (the "License Agreement"). If your organization and Granicus has entered into a separate agreement or is utilizing a contract vehicle for this transaction, the terms of the License Agreement are incorporated into such separate agreement or contract vehicle by reference, with any directly conflicting terms and conditions being resolved in favor of the separate agreement or contract vehicle to the extent applicable.
- If submitting a Purchase Order, please include the following language: The pricing, terms and conditions of quote Q-512718 dated 05 Feb 2026 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of Ontario CA to provide applicable exemption certificate(s).
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.

- The terms and conditions set forth in the agreement effective 27 May 2023 (the "Agreement") are incorporated herein by reference.
- Client will be invoiced for use of any product or service measured or capped by volume or amount of usage that exceeds the permitted amount set forth in this Quote at the same cost or rate set forth herein.

BILLING INFORMATION

Billing Contact:		**Purchase Order Required?**	[ ] - No [ ] - Yes
Billing Address:		**PO Number:** *If PO required*	
Billing Email:		**Billing Phone:**	

If submitting a Purchase Order, please include the following language:
The pricing, terms, and conditions of quote Q-512718 dated 05 Feb 2026 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.

AGREEMENT AND ACCEPTANCE

By signing this document, the undersigned certifies they have authority to enter the agreement. The undersigned also understands the services and terms.

Ontario CA	
Signature:	
Name:	
Title:	
Date:	

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Housing Prepared By: Albert Ramirez Department: Prepared By: Albert Ramirez Staff Member Presenting: Helen McAlary, Executive Director Community Life and Culture Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 7

SUBJECT: **A RESOLUTION AUTHORIZING MEMBERSHIP IN THE SAN BERNARDINO REGIONAL HOUSING TRUST**

RECOMMENDATION: That the City Council take the following actions:

A. Approve the admission of the City of Ontario to the San Bernardino Regional Housing Trust;
B. Adopt a Resolution to join the Joint Powers Authority Agreement; and
C. Appoint the Mayor or his designee to serve on the Board of Directors for the San Bernardino Regional Housing Trust.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner

FISCAL IMPACT: The fully operational annual cost for the San Bernardino Regional Housing Trust is estimated at $475,000. Annual membership fees will be assessed on a pro rata basis based on the number of participating jurisdictions and their populations.

Currently, nine cities and the County have opted to participate, and the projected annual membership fee is $55,000 per jurisdiction at this level of participation. However, 18 cities and the County have signed letters of intent indicating their interest in joining the Trust. It is anticipated that most, if not all, of these jurisdictions will ultimately participate. If additional jurisdictions join, the annual membership fee is expected to decrease as operational costs are shared among more members. With broader participation, the estimated annual membership fee could decrease to $15,000-$35,000 per jurisdiction. The membership term will commence in May 2026 and will continue until terminated or the Trust is dissolved.

If approved, additional appropriations will be included at a future quarterly update to City Council for approval as needed.

BACKGROUND & ANALYSIS: California is experiencing a significant housing supply and affordability crisis driven by high land costs, rising construction costs, and limited financing options. These challenges have localized impacts that affect housing availability, homelessness, and economic conditions across communities. Addressing these issues requires coordinated actions at the local, regional, and state levels.

One regional strategy is the establishment of the San Bernardino Regional Housing Trust, which would raise and leverage funds to support affordable housing production, preservation, rehabilitation, and related housing activities.

In response to growing housing challenges, the City and County Managers Technical Advisory Committee of the San Bernardino Council of Governments (SBCOG) formed an Ad Hoc Subcommittee in 2021 to explore the feasibility of creating a regional housing trust fund.

At the Subcommittee's direction, SBCOG released the San Bernardino Regional Housing Trust White Paper in January 2022, outlining the potential benefits, governance structures, and case studies related to establishing a regional housing trust.

Following the release of the White Paper, SBCOG released the San Bernardino Regional Housing Trust Strategic Plan, which assessed the housing needs in the San Bernardino County, identified potential funding sources, evaluated financing strategies, and outlined activities that the San Bernardino Regional Housing Trust could support.

Throughout 2022 and 2023, SBCOG conducted outreach across the region, engaging local decision-making bodies, city and county managers, planning staff, elected officials, developers, and housing administrators regarding the San Bernardino Regional Housing Trust. Based on research and stakeholder engagement conducted, it is recommended that the housing trust serving the San Bernardino County be structured as a Joint Powers Authority consisting of local jurisdictions within the region.

On April 5, 2023, the SBCOG Board of Directors authorized staff to begin the process of establishing the San Bernardino Regional Housing Trust, including the formation of a new Joint Powers Authority.

Benefits

The San Bernardino Regional Housing Trust is intended to provide a coordinated regional and programmatic approach to addressing housing needs throughout the San Bernardino region. The San Bernardino Regional Housing Trust will raise and leverage funds to support the production of affordable housing and related activities.

Participating in the Joint Powers Authority would provide several benefits to participating jurisdictions, including:

- Expand funding opportunities by leveraging state, federal, and private resources;
- Support affordable housing projects within individual jurisdictions and across the region;

- Provide regional coordination and administrative capacity to address housing needs comprehensively;
- Attract development interest to the region; and
- Ensure local representation in decision-making through the Joint Powers Authority governance structure.

Overall, participation in the Joint Powers Authority would strengthen the region's ability to secure funding, coordinate resources, and advance affordable housing development.

Structure of the Joint Powers Authority

The San Bernardino Regional Housing Trust Joint Exercise of Powers Agreement has been drafted to incorporate the provisions of Senate Bill 20 (2023) and the California Joint Exercise of Powers Act. Utilizing the provisions of Senate Bill 20 allows the San Bernardino Regional Housing Trust to be an early adopter of this legislation, drawing attention from the State Legislature and improve the San Bernardino Regional Housing Trust's ability to secure State funding. Additionally, utilizing the broader powers under the California Joint Exercise of Powers Act allows the San Bernardino Regional Trust to exercise powers common to its member agencies with greater flexibility.

The governing structure of the San Bernardino Regional Trust will consist of a Board of Directors that exercises all powers and authority on behalf of the organization. The Board of Directors will include a locally elected representative from each agency participating in the San Bernardino Regional Trust, as well as at least two housing policy experts.

Directors who serve as housing policy experts are to be selected by a vote of the Board of Directors. The Board of Directors will also elect officers such as the Chairperson and Vice Chairperson, and may establish advisory committees to support its work.

The San Bernardino Regional Housing Trust may also contract for administrative staff or services as necessary. The Board of Directors is responsible for adopting bylaws, overseeing budgets, and ensuring compliance with California's Joint Exercise of Powers Act and related statutes. Board meetings will be subject to the Brown Act, ensuring transparency and public accountability.

Overall, the governance model balances representation from local governments with subject-matter expertise, while maintaining independence from the member agencies.

Staff recommends that the City Council approve participation in the San Bernardino Regional Housing Trust, appoint the Mayor or his designee to serve on the Board of Directors, and authorize execution of the Resolution.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING, AUTHORIZING, AND DIRECTING CITY EXECUTION OF THE JOINT EXERCISE OF POWERS AGREEMENT RELATING TO MEMBERSHIP IN THE SAN BERNARDINO REGIONAL HOUSING TRUST.

WHEREAS, The San Bernardino Regional Housing Trust (SBRHT) will be formed upon the approval of at least three qualified members as a joint powers authority between Member Agencies throughout the San Bernardino Council of Governments region (region); and

WHEREAS**,** SBRHT was created for the purpose of funding housing specifically assisting persons and families of extremely low-, very low-, low- and moderate-income levels within the region; and

WHEREAS, the City of Ontario is committed to increasing the supply of affordable housing and addressing the housing needs of residents across all income levels; and

WHEREAS, the City of Ontario determined that there are limited financial resources available for affordable housing development and that additional local financing will increase the competitiveness of individual projects for the State and Federal resources; and

WHEREAS, the SBRHT provides an opportunity to raise and pool funds among Member Agencies to support the development of affordable and workforce housing including the development of financing, preservation and rehabilitation of such housing; and

WHEREAS, the City of Ontario finds it in their mutual economic interest to address the housing needs of their residents on a regional level; and

WHEREAS, the City of Ontario determined that it is in the public interest and for the public benefit that the City of Ontario become a member of the SBRHT to further facilitate the development of affordable housing in the City of Ontario and throughout the region, including the financing of projects executed by the SBRHT; and

WHEREAS, the City of Ontario will be joining other jurisdictions that are also members of the SBRHT in efforts to increase State and Federal resources for affordable housing directed to SBRHT; and

WHEREAS, the Agreement has been filed with the City of Ontario, and the members of the City Council, with the assistance of its staff, have reviewed said document; and

WHEREAS, the SBRHT is authorized to issue grants and loans to developers for the purpose, among others, of financing and refinancing the construction, acquisition, and rehabilitation of affordable housing; and

WHEREAS, the City anticipates there will be affordable housing projects in need of financing located in the City of Ontario; and

WHEREAS, the SBRHT shall be legally independent from City of Ontario, and its debts, liabilities, and obligations shall not constitute those of the City unless expressly agreed to by both parties; and

WHEREAS, local land use authority remains fully vested in City of Ontario, and nothing in the Joint Exercise of Powers Agreement nor this resolution, shall be construed to transfer, limit, or otherwise affect the City's sovereign authority over land use decisions; and

WHEREAS, the City Council finds it to be in the best interest of the City of Ontario and its residents to join the SBRHT and support regional housing solutions; and

WHEREAS, pursuant to the Agreement, the City Council is authorized to appoint a member to serve on said Board; and

WHEREAS, the City Council finds it in the best interest of the City to appoint a qualified representative to this position; and

WHEREAS, the City Council finds that a City Council member is qualified to serve in this position and desires to appoint them to the Board.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council hereby authorizes the City of Ontario membership in the San Bernardino Regional Housing Trust (SBRHT).

SECTION 3. The City Council reviewed and approves of the Joint Exercise of Powers Agreement substantially in Exhibit "A" of this Resolution.

SECTION 4. The City Council hereby appoints the Mayor or his designee as the qualified individual to serve on the SBRHT Board of Directors.

SECTION 5. The adoption of this Resolution shall not obligate the City of Ontario or any department thereof to (i) provide any financing to acquire, construct or operate any Project or any refinancing of any Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, improvement, rehabilitation or operation of any Project; (iii) require any contribution or advance any funds whatsoever to the SBRHT

other than membership fees for administrative costs; or (iv) except as provided in this Resolution, take any further action with respect to the SBRHT or its membership therein.

SECTION 6. The City Council, the City Clerk and all other proper officers and officials of the City of Ontario are hereby authorized and directed to execute the Joint Exercise of Powers Agreement and to perform such other acts and deeds, as may be necessary or convenient to affect the purposes of this Resolution and the transactions herein authorized.

SECTION 7. The City Clerk shall forward a certified copy of this Resolution and an originally executed Agreement to the SBRHT:

San Bernardino Regional Housing Trust
Attn: Monique Arellano
1170 West Third Street, 2nd Floor
San Bernardino, CA 92410

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 5th day of May 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 5, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held May 5, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

Joint Exercise of Powers Agreement

SAN BERNARDINO REGIONAL HOUSING TRUST

THIS JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is made this [NUMBER] day of [MONTH], 2026 ("Effective Date") pursuant to Government Code Section 6500 et seq., including but not limited to Government Code 6539.1, and other pertinent provisions of law, by and between San Bernardino County (the "County") and those cities within San Bernardino County who become signatories to this Agreement ("Cities"), and relates to the joint exercise of powers among the signatories hereto, each of which is hereafter referred to as "Member Agency" and collectively referred to as "Member Agencies" or "Members."

RECITALS

A. The Member Agencies have determined that a shortage of affordable housing exists as a result of various causes and wish to provide additional housing opportunities in a coordinated and comprehensive manner. The Member Agencies acknowledge that an adequate supply of housing will provide social and economic benefits to residents and taxpayers of each Member Agency.

B. Each Member Agency has the individual power to plan, acquire, manage, regulate, operate, finance and control the development, construction, and operations of affordable housing programs, including housing serving the workforce, moderate- and lower-income households, and those experiencing homelessness, generated within its jurisdictional boundaries, as well as to create and issue development agreements for such activities. Nothing contained in this Agreement shall preclude any Member Agency from establishing, maintaining or providing programs or services to its respective residents as it deems proper or necessary.

C. The Member Agencies find it in their mutual economic interest to address housing needs of their residents on a regional level within the boundaries of San Bernardino County.

D. The Member Agencies desire to act in the public interest to lessen the burden on government by reducing the need for each Member Agency to act individually, and to provide charitable support for housing within their geographic boundaries.

E. California Government Code Section 6500 et seq. ("Joint Exercise of Powers Act" or "Act") permits two or more public agencies to create joint powers authorities for the purposes set forth herein, permits the agencies to exercise jointly any power that the public agencies could exercise separately, and further grants certain additional powers to such joint powers authorities.

F. California Government Code Section 6539.1 authorizes the creation of a regional housing trust pursuant to the Joint Exercise of Powers Act, subject to certain requirements regarding governing composition and annual financial and auditing requirements.

G. Local land-use decisions remain solely with each Member Agency. Nothing in this Agreement deprives any party of its sovereign powers with respect to land use nor transfers such powers to this joint powers authority.

NOW, THEREFORE BE IT RESOLVED that the Member Agencies do hereby establish the entity to be known as the San Bernardino Regional Housing Trust, or SBRHT, to generate and/or maintain housing, disburse funding, and take other actions that will result in permanent additions to the housing stock within SBRHT's jurisdictional boundaries, and do hereby agree as follows:

1. Purpose.

1.1 The purpose of this Agreement is to establish a legal public entity separate from the Member Agencies that shall be responsible for the joint acquisition, management, operation, fundraising, planning, adoption, financing, administration, review, monitoring, and reporting of certain housing activities in the region for the benefit of those experiencing homelessness and extremely low-, very low-, low-, and moderate-income households, as defined in Section 50093 of the Health and Safety Code. By entering this joint powers authority Agreement, the Member Agencies seek to gain economic benefits not realized when operating individually. Further, the establishment of this joint powers authority provides for the economic viability and coordination of housing program financing and facilities throughout SBRHT's jurisdictional boundaries.

1.2 SBRHT shall be an entity which is legally independent from the parties to this Agreement and shall be responsible for the administration of this Agreement.

1.3 The assets, rights, debts, liabilities, and obligations of SBRHT shall not constitute assets, rights, debts, liabilities, and obligations of any of the Member Agencies. However, nothing in this Agreement shall prevent any of the Member Agencies from separately contracting for, or assuming responsibility for, specific debts, liabilities, or obligations of SBRHT, provided that the SBRHT Board of Directors ("Board") and the Member Agency approve, in writing signed by each party, such contract or assumption.

2. Powers.

2.1 General Powers. SBRHT shall have all the powers common to the Member Agencies of this agreement necessary or convenient, specified or implied, to accomplish the purpose of this Agreement as set forth in Section 1 above, subject to the restrictions set forth in Section 2.7. Said powers shall be exercised in the manner provided in the Joint Exercise of Powers Act, including without limitation all powers set forth in Government Code Section 6539.1.

2.2 Specific Powers. Without limiting the generality of the powers conferred in subdivision 2.1 of Section 2, SBRHT is authorized to act on any or all of the following matters, as each Member Agency could act separately, and as it deems in the best interest of its Members, to the extent permitted by any and all applicable laws, codes, ordinances, resolutions, and regulations:

a. Facilitate and assist the Member Agencies and others in the housing sector to acquire, construct, rehabilitate, finance, refinance, operate, regulate, and maintain affordable housing programs, projects, and facilities, as determined by the Board.

b. Coordinate and collaborate with Member Agencies on funding solicitations and other opportunities for the purposes set forth in this Agreement to minimize and avoid, where possible, competition and redundancy in the pursuit of funding.

c. Facilitate the planning, study, and recommendation of proper and appropriate SBRHT programs, activities, and management practices; including the research and study of issues related to housing.

d. Educate the public, Member Agencies, and other agencies and entities on SBRHT programs.

e. Provide for or enter into agreements to provide for administrative, financial, construction, engineering, legal, audit, and any other professional services supporting any of the SBRHT programs or activities.

f. Solicit, apply for, accept, and receive grants, donations, advances, and contributions.

g. Sue and be sued in its own name.

h. Incur and discharge debts, liabilities, and obligations which may include but shall not be limited to being in the form of secured bonds, revenue bonds, or other forms of secured or unsecured debt.

i. Issue bonds or notes and associated covenants, for designated purposes.

j. Acquire or protect any necessary security or leasehold interests involved in loans, bonds, notes, or other financing methods implemented to carry out the purpose of this Agreement.

k. Acquire, hold, lease, improve, construct, rehabilitate, maintain, pledge, assign, mortgage, operate, and dispose of real and personal property as may be necessary and appropriate in connection with the creation, construction, financing, development, and maintenance of certain workforce and affordable housing and the programmatic needs of SBRHT.

l. Issue and receive loans.

m. Acquire such insurance protection as it deems necessary.

n. Adopt resolutions and ordinances necessary to carry out the purpose of this Agreement.

o. Establish advisory committees or subcommittees as necessary.

p. Form wholly-owned and controlled affiliate entities to accomplish any of its purposes.

q. Adopt bylaws and such other rules and procedures as may be deemed necessary.

r. Convey real and/or personal property interests and/or funds.

s. Any other acts necessary to carry out the above identified actions that each Member Agency is empowered to take individually.

2.3 SBRHT shall undertake, facilitate, and encourage the acquisition, creation, construction, development, and maintenance of affordable housing programs, projects, and facilities, as determined by the Board.

2.4 SBRHT shall implement programs, financing mechanisms, and funding criteria to support and advance affordable housing opportunities within the jurisdictional boundaries of the Member Agencies. These programs may include, but are not limited to, loan and grant programs, land acquisition and disposition programs, and other initiatives designed to increase the supply, preservation, and quality of affordable housing.

2.5 SBRHT may establish criteria, policies, and guidelines governing eligibility, funding priorities, and program administration, provided such criteria are consistent with the purposes of this Agreement and applicable state and federal laws.

2.6 Equitable Member Agency Investment. The SBRHT Board shall establish criteria to allow for the equitable distribution of funds, and shall not exclude any Member Agency based on its rural, suburban, or urban character, as defined by the Board. Funding programs will not be set up as a means to impose zoning or land use changes within the boundaries of the Member Agencies.

2.7 Limitation on Powers. This Agreement does not authorize, and expressly prohibits, SBRHT to do any of the following:

a. Nothing in this Agreement shall be construed as transferring or delegating to SBRHT any land use, zoning, or development permitting power of the Member Agencies. Each member agency shall retain full and independent authority over land use decisions within its jurisdiction, including but not limited to general plan amendments, zoning classifications, entitlements, and project approvals. Any project or program funded or supported by SBRHT shall comply with the applicable general plans, zoning ordinances, and other land use regulations of the member agency within which the project is located, unless otherwise approved by the Member Agency.

b. Regulate land use within the jurisdiction of any of the Member Agencies;

c. Levy, or advocate or incentivize the levying of, any land use exaction, such as an impact fee, charge, dedication, reservation, or tax assessment, as a condition of approving the funding for or approval of, a development project;

d. Require inclusionary zoning requirements;

e. Fund or otherwise approve an agreement for a housing project that is not permitted by the Member Agency within whose jurisdiction the project is proposed to be located; or

f. Require any Member Agency to accept or provide any specific number of housing units as a prerequisite to joining or remaining a party to this Agreement.

g. Impose additional development standards for grant funding beyond what is already conditioned by another entity.

h. In the event that the SBRHT has employees, the creation of any employee pension plan or any other retirement plan other than a plan created under the federal Internal Revenue Code Sections 401(k), 403(b), 457(b), or Roth account plan.

3. Term and Termination

3.1 This Agreement shall be effective, and SBRHT shall come into existence, on the Effective Date, which shall be the date upon which this Agreement has been approved by three eligible Member Agencies.

3.2 This Agreement shall continue until terminated or dissolved pursuant to Section 3.3 of this Agreement. However, in no event shall the Member Agencies terminate or dissolve SBRHT if its termination or dissolution would conflict with or violate the terms or conditions of any bonds, financial instruments, or related documentation by or on behalf of SBRHT, including, without limitation, indentures, resolutions, and letter of credit agreements.

3.3 This Agreement may be terminated by consent of a majority of the Member Agencies, and upon full and complete liquidation of all liabilities, including, but not limited to, any bonds, consistent with Section 3.2. Upon termination of this Agreement, any surplus money or assets in possession of SBRHT, after payment of all liabilities, shall be distributed to the then-existing Member Agencies in proportion to the contributions made by each.

4. Governance

4.1 Members. The Member Agencies of SBRHT shall be the parties to this agreement who have not withdrawn from SBRHT, and such other entities that may join SBRHT after execution of this Agreement. New Members may join based on the terms and conditions set forth in Section 11.

4.2 Affiliates. Entities that are eligible to be a party to this Agreement may join the SBRHT as an affiliate. Entities that join as an affiliate are not eligible to have a member of their governing board serve on the Board of Directors, as described in Section 4.3, or receive funding for a project within their jurisdiction until such time, if ever, they become a Member of the SBRHT. An eligible entity may become an affiliate through written notice from the executive officer of the entity, but shall not be a party to this Agreement.

4.3 Board of Directors; Composition. SBRHT is governed and administered by a Board of Directors ("Board") that shall exercise all powers and authority on behalf of SBRHT. The membership of the Board of SBRHT shall be in accordance with Government Code Section 6539.1, and as it may be amended. As currently required at execution of this Agreement, the SBRHT Board shall consist of at least five (5) Directors, as follows:

a. At least three (3) Directors shall be locally elected officials from their respective Member Agency jurisdictions, and appointed by their respective Member, and

b. Each Member Agency may appoint up to one (1) Director, and

c. At least two (2) Directors shall be experts in homeless or housing policy that are not elected officials of any local agency. These Director positions shall be selected by a majority vote of the elected membership of the Board prescribed in Section 4.3(a) of this Agreement, and

d. A majority of Directors must be locally elected officials from their respective Member Agency jurisdiction, and

e. Alternates for each Director position may be established by the Board of Directors, provided that such alternates meet the requirements established in this Agreement and under the bylaws adopted by the Board of Directors.

4.4 Advisory Committees. The Board may establish one or more advisory committees to advise the Board, pursuant to the bylaws.

4.5 Director Terms. The Member Agencies shall select their respective Directors for the Board no later than the Effective Date, or the effective date of the respective Member Agency entering into this Agreement, as may be applicable. Each Director shall serve a term of two years, but may be reappointed for successive two-year terms in accordance with this Agreement. At least 15 days prior to the end of a Director's term, the respective Member Agency must select a new Director or re-select the current Director for the new term of office. There is no limit on the number of terms a Director may serve. In the event of a vacancy on the Board in a Director position originally appointed by a Member Agency pursuant to this Agreement in Section 4.3(b), that Member Agency shall appoint a replacement in accordance with the criteria of Section 4.3(a) within 60 days of such vacancy who shall serve out the remainder of the term of the Director that has been replaced. In the event of a vacancy on the Board in a Director position appointed pursuant to this Agreement in Section 4.3(c), the SBRHT Board shall appoint a replacement in accordance with the criteria of Section 4.3(c) within 60 days of such vacancy who shall serve out the remainder of the term of the Director that has been replaced.

4.6 Officers. The Board of Directors shall elect a chairperson and a vice chairperson from among its Directors consistent with Section 8.6.

4.7 Compensation. Directors shall serve on the Board without compensation. Directors may be reimbursed for actual expenses that are approved in accordance with applicable provisions of this Agreement and SBRHT bylaws before the expenses are incurred.

5. Budgets and Financing.

5.1 The Fiscal Year of SBRHT shall, unless and until changed by the Board of Directors, commence on the 1st day of July of each year and shall end on the 30th day of June of the next succeeding year except that the initial Fiscal Year of SBRHT shall commence on the Effective Date of this Agreement and conclude on the next June 30th.

5.2 The Board shall annually adopt an operating budget for SBRHT setting forth anticipated expenses, financing sources and proposed service levels necessary to carry out the purposes of this Agreement. The payment of all SBRHT obligations is limited to the amount of appropriations allowed in SBRHT's approved budget, except as it may be revised with the approval of a majority of the Board of Directors. The budget for SBRHT shall distinguish between administrative costs (i.e., the cost of operating SBRHT) and program costs (i.e., the financing of the programs funded or sponsored by SBRHT).

5.3 The particular Program and Program budget funded, sponsored, or operated by SBRHT, as well as the level of, and mechanisms for, the involvement of SBRHT and each Member Agency, in such

Program and Program budget, shall be determined and approved by the Board. A Member Agency's individual contribution, involvement, and role in any particular Program or the Program budget shall be mutually agreed between the Member Agency and SBRHT. By way of example only, said contributions, involvement, or role may include cash contributions, provision of services or staffing, use or transfer of title to real or personal property, pledges, guarantees, or whatever other instruments or involvement the Member Agency and SBRHT may agree to. Contributions of all kinds to the Program budget from private persons or entities and not-for-profit entities, whether their interests are represented by any Directors, are encouraged, so long as they do not cause a violation of any applicable conflicts of interest statutes, rules, or regulations.

6. Financial Management.

6.1 Pursuant to Government Code Sections 6505.5 and 6505.6, the Board shall appoint an officer of SBRHT to hold the offices of treasurer and auditor of SBRHT. This officer can be either the treasurer of a Member Agency to this Agreement or a certified public accountant. Such person or persons shall possess the powers of and shall perform the treasurer and auditor functions for SBRHT required by Sections 6505, 6505.5, and 6505.6 of the Government Code, including any amendments thereto. Pursuant to Government Code Section 6505.1, the auditor and treasurer shall have charge of certain property of SBRHT. The treasurer and auditor shall ensure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of SBRHT. The treasurer and auditor of SBRHT shall be required to file an official bond as required by Government Code Section 6505.1 with the Board of Directors in an amount which shall be established by the Board. Should the existing bond or bonds of any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be an appropriate expense of SBRHT.

6.2 SBRHT shall publish an Annual Financial Report that shall describe the funds received by SBRHT and the use of such funds by SBRHT. The Annual Financial Report shall describe how the funds received by SBRHT have furthered the purpose of SBRHT.

7. Additional Officers and Staffing.

7.1 It is understood that SBRHT will require the support of administrative staff. When deemed necessary, the Board may contract for officers and staff with a Member Agency, the San Bernardino Council of Governments, or other independent contractors, agents, or volunteers as the Board may deem necessary to carry out any of SBRHT's powers, upon such terms and conditions as the Board may require, including the retaining of professional and technical assistance, provided that adequate funds are available in SBRHT's budget and are appropriated by SBRHT therefore.

7.2 None of the officers, agents, or staff, if any, directly contracted by SBRHT shall be deemed, by reason of their roles or duties or contracted status, to be employed by any Member Agency.

7.3 The officer or staff may be delegated authority as deemed necessary or appropriate by the Board.

7.4 If SBRHT contracts with a Member Agency to provide SBRHT with administrative services through persons who are employees and/or officers of the Member Agency, then any retirement liabilities

associated with that Member Agency's employees and/or officers shall not constitute a liability of SBRHT or any other Member Agency. This shall not preclude a Member Agency providing administrative services to SBRHT pursuant to a contract with SBRHT from accounting for such salary and benefit costs when negotiating the rates that the Member will charge SBRHT for providing such services.

7.5 All privileges and immunities from liability, exemptions from laws, ordinances and rules, and benefits that apply to officers, agents, or employees of a Member Agency shall apply to the same extent when performing duties for SBRHT.

8. Meetings.

8.1 The Board shall schedule at least two (2) regular meetings each Fiscal Year.

8.2 Special meetings of the Board may be called by the Chairperson of the Board and otherwise in accordance with provisions of California Government Code Section 54956 and any applicable SBRHT bylaws.

8.3 All meetings of the Board shall be held subject to the provisions of California Government Code Section 54950 et seq. (the "Brown Act") and other applicable laws of the State of California.

8.4 A quorum is established if at least a majority of Directors are present at a meeting, except that less than a quorum may adjourn a meeting to another time and place. Unless otherwise provided in this Agreement or otherwise defined in the Bylaws, actions and decisions of the Board of Directors may be taken by a majority of the quorum present at any meeting. Each Director of a Member Agency shall have one vote and no weighted or proxy votes shall be permitted.

8.5 The Board of Directors shall cause minutes of all regular, adjourned regular, and special meetings to be kept as record of all meetings.

8.6 The Board of Directors shall elect a chairperson and a vice chairperson from among its Directors at the first meeting held in each calendar year. In the event that the chairperson or vice chairperson so elected ceases to be a Director, the resulting vacancy shall be filled at the next regular meeting of the Board of Directors held after such vacancy occurs or at a special meeting called for that purpose. In the absence or inability of the chairperson to act, the vice chairperson shall act as chairperson. The chairperson, or in the chairperson's absence, the vice chairperson, shall preside at and conduct all Board of Director meetings.

8.7 The Board of Directors may adopt, from time to time, by resolution, such rules, regulations and bylaws for the conduct of its meetings and affairs as the Board determines is necessary or convenient.

9. Bylaws.

9.1 The Board shall adopt bylaws for the conduct of its affairs, provided that they are consistent with this Agreement and are appropriate in order to carry out SBRHT's purpose.

9.2 The Board may, from time to time, amend its bylaws.

10. Fees.

10.1 Member Agencies shall make annual contributions ("Administrative Fee") towards the budgeted administrative costs of SBRHT in accordance with a cost allocation as determined and approved annually by the Board of Directors. Payment shall be due within 30 days of receipt of an invoice from SBRHT.

11. New Members.

11.1 New Member Agencies may be added to SBRHT by a majority vote of the Directors present at the meeting. Membership is effective immediately upon execution of this Agreement by the new Member Agency.

12. Withdrawal.

12.1 It is fully anticipated that each Member Agency shall participate in SBRHT until the purposes set forth in this Agreement are accomplished. A Member Agency may withdraw from SBRHT upon its governing board's adoption of a resolution stating its intent to withdraw from SBRHT. The withdrawal of any Member Agency shall be conditioned as follows:

a. The withdrawal shall be effective at the end of the SBRHT Fiscal Year which is at least 180 days after the receipt by SBRHT of a written notice of the Member Agency's intent to withdraw, accompanied by a copy of the governing board resolution stating the intent to withdraw; and

b. Unless otherwise provided by a unanimous vote of the SBRHT Board, withdrawal shall result in the forfeiture of that Member Agency's rights and claims relating to distribution of property and funds upon termination of SBRHT. Withdrawn Members shall not be entitled to any reimbursement of Administrative Fees.

13. Amendments.

13.1 Except as provided in Sections 11 and 12, subject to all legal obligations of SBRHT, this Agreement may be amended by a writing executed by all of the Member Agencies of SBRHT.

14. Notices.

14.1 All notices to the Member Agencies shall be deemed to have been given to the Member Agencies (1) three days after mailing when mailed, postage prepaid by United States mail, return receipt requested, or (2) at the time of delivery when delivered personally or by courier service to the Member Agency's City or County Clerk during usual business hours at the principal office.

14.2 All notices to SBRHT shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid, to the executive officer of SBRHT at the following address, or to such other address as may be designated to SBRHT for formal notice:

1170 W. Third Street

2nd Floor
San Bernardino, CA 92410

15. Assignments; Other Agreements.

15.1 This Agreement shall be binding upon and shall inure to the benefit of the successors of any Member Agency. No Member Agency may assign any right or obligation hereunder without the written consent of all other Member Agencies. Participation in SBRHT is not intended to preclude Member Agencies from entering into similar agreements with other jurisdictions.

16. Severability.

16.1 Should any part, term, portion, or provision of this Agreement, or the application thereof to any person or circumstance, be held to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, it shall be deemed severable, and the remainder of this Agreement or the application thereof to other persons or circumstances shall continue to constitute the agreement the Member Agencies intended to enter into in the first instance.

17. Headings.

17.1 All section headings contained in this Agreement are for convenience and reference only. They are not intended to define or limit the scope of any provision of this Agreement.

18. Non-Liability for Obligations of SBRHT.

18.1 The debts, liabilities, and obligations of SBRHT shall not be considered the debts, liabilities, or obligations of any Member Agency or its respective officers, agents, employees, representatives, or volunteers.

a. Assignment. Each Member Agency shall assign to the SBRHT its rights, title, and interest to recover damages from any third party for Claims (as defined in Subsection d below) arising out of this Agreement, to the extent that the SBRHT has met its obligations to defend and indemnify such Member Agency pursuant to this section.

b. Survival. SBRHT's duty to defend, indemnify, and hold harmless Member Agencies shall survive and continue in full force and effect after withdrawal of any Member from this Agreement, including as to the withdrawing Member Agency, or termination of this Agreement for any reason with respect to any Claims, as defined in 18.1.d., that occurred before the date of such withdrawal or termination.

c. Pursuant to the provisions of California Government Code Section 895 et seq., each Member Agency that is party to this Agreement shall be liable for its own negligent or wrongful acts or omissions and those of its officers, employees, and agents.

d. Indemnification. The SBRHT shall defend, indemnify, and hold harmless each Member Agency, its officers, agents, employees, representatives, and volunteers (the "Indemnitees") from and against any loss, injury, claim, lawsuit, liability, expense, or damages of any kind or nature

(collectively, "Claims") brought by a third party which arises out of or in connection with SBRHT's acts and omissions related to its purposes set forth in this Agreement, including such third-party claims arising out of or in connection with any Indemnitees acting within their authorized capacity as an officer, agent, employee, representative, or volunteer of SBRHT. The SBRHT's duty to defend and indemnify under this section shall not extend to Claims otherwise arising out of the Indemnitees' own active negligence, omissions, or willful misconduct, whether in whole or part.

e. Liability Financing. The SBRHT shall finance its obligation pursuant to this Subsection by establishing a liability reserve fund, and/or by purchasing commercial insurance, and/or by joining a joint powers insurance authority (JPIA) as determined by the Board. In the event SBRHT's financial obligations to indemnify, defend, and hold harmless, pursuant to this Subsection, exceed the liability reserve fund and/or the proceeds from any applicable insurance and/or JPIA coverage maintained by the SBRHT (hereinafter "Unfunded Liability"), the Member Agencies may provide for contribution or indemnification by any or all of the Member Agencies that are parties to the agreement upon any liability arising out of the performance of the agreement, and/or a Member Agency or Member Agencies may meet and confer with SBRHT in good faith to negotiate alternative means or mechanisms by which SBRHT may fund such Unfunded Liability; however, in no event shall the event of an Unfunded Liability relieve, limit, or waive SBRHT's obligations of indemnity or defense to each Member Agency as first set forth above in this section. Nothing herein shall obligate any Member Agency to indemnify or hold harmless SBRHT for an Unfunded Liability or to make any contribution towards an Unfunded Liability. In no event shall any Unfunded Liability of the SBRHT be passed through to a Member Agency without the express, written, and voluntary approval of that Member Agency's governing body via a separate instrument.

19. Governing Laws and Venues.

19.1 This Agreement is made in the State of California under the Constitution and laws of such State and shall be construed and enforced in accordance with the laws of California. The parties agree that any legal action, suit, or proceeding arising out of or relating to this Agreement shall be instituted and maintained exclusively in the state within the County of San Bernardino, California. Each party irrevocably submits to the personal and subject matter jurisdiction of such courts and waives any objection to venue or forum non conveniens with respect to actions brought in those courts.

20. Confirmation of Jurisdictional Authority.

20.1 By signing this Agreement, the Member Agencies retain all jurisdictional authority granted to them by the State and/or their respective Charters. The powers and/or authority granted to SBRHT pursuant to this Agreement shall in no way serve to limit or restrict an individual Member Agency's jurisdictional authority.

IN WITNESS WHEREOF, the parties hereto by their duly authorized representative, have affixed their signatures on this Agreement, effective as of the date first stated above.

MEMBER AGENCY: [ENTER MEMBER AGENCY NAME]

By: _____

[INSERT Name of Authorized Signatory, Title]

Attest: _____

[INSERT Name of Witness (e.g. Clerk), Title]

MEMBER AGENCY:

By: _____

[INSERT Name Authorized Signatory, Title]

Attest: _____

[INSERT Name of Witness (e.g. Clerk), Title]

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Daniel P Beers Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 8

SUBJECT: **AUTHORIZE THE PURCHASE AND INSTALLATION OF FURNITURE WITH INFO-COM BUSINESS PRODUCTS FOR THE ONTARIO SPORTS EMPIRE**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize a cooperative purchase agreement for D&C23-022 Ontario Sports Empire with Margaret C. Pett, Inc. DBA Info-Com Business Products (Info-Com), of Altadena, California, for the purchase and installation of furniture in the amount of $15,741,575 plus a 10% contingency of $1,574,158, for a total not-to-exceed contract amount of $17,315,733, consistent with the terms and conditions of the OMNIA Contract Number R240101; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but are not limited to agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The recommended contract with Info-Com Business products is in the amount of $15,741,575 plus a 10% contingency of $1,574,158, for a total not-to-exceed contract amount of $17,315,733. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Project Funds for the Ontario Sports Empire Project.

BACKGROUND & ANALYSIS: On May 20, 2025, the City Council awarded 24 construction contracts for the development of the Ontario Sports Empire. The Ontario Sports Empire will feature 12 multi-purpose fields and eight multi-purpose baseball/softball fields. Construction is currently underway, and the facility is scheduled to open in October 2026.

To support the completion and operation of the facility, the proposed cooperative purchase agreement with Info-Com Business Products includes the purchase and installation of interior and

exterior furnishings and equipment throughout the complex. Proposed items include office workstations, desks, seating, conference and meeting room furniture, lobby and lounge furnishings, storage cabinets, lockers, breakroom furnishings, outdoor tables and chairs, shade furnishings, benches, site receptacles, and other amenities necessary for administrative, spectator, and public gathering areas.

Staff recommends approval of the furniture purchase and installation to ensure the facility is fully equipped and ready for its scheduled opening.

CITY OF ONTARIO
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PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
GOODS & SERVICES AGREEMENT

This Agreement is made and entered into as of _____, by and between the City of Ontario, a municipal corporation organized under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City") and **Margaret C. Pett, Inc. DBA Info-Com Business Products**, a Corporation with its principal place of business at 1472 Morada Place, Altadena, CA 91001 ("Vendor"). City and Vendor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

RECITALS

A. Vendor desires to perform and assume responsibility for the provision of certain services and goods required by the City on the terms and conditions set forth in this Agreement. Vendor represents that it is experienced in providing similar services and goods to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of California and that is familiar with and understands the needs of City.

B. City desires to engage Vendor to sell to City the materials and/or equipment and/or render such services as more particularly described in this Agreement.

TERMS

1. SCOPE OF SERVICES.

1.1 General Scope of Services. Vendor promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the **Ontario Sports Empire** ("Services") which are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

1.2 Goods. Vendor agrees to sell to City and City agrees to purchase the materials and/or equipment ("Goods") as specified and per the specifications attached hereto and incorporated herein as Exhibit "A." Unless specifically stated otherwise, the Goods shall be new and unused and of the current production year.

2. TERM.

2.1 The term of this Agreement shall be from **May 5, 2026,** to **January 15, 2027**, unless earlier terminated as provided herein. Vendor shall provide all Goods and complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the work.

3. FEES AND PAYMENTS.

3.1 Compensation. Vendor shall receive compensation, including authorized reimbursements, for all Goods provided and Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Fifteen Million Seven Hundred Forty - One Thousand Five Hundred Seventy - Five Dollars ($15,741,575**) without written approval of City's Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.2 Payment of Compensation. Vendor shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Vendor and Goods provided. The statement shall describe the amount of Services and Goods provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all non-disputed and approved charges thereon.

3.3 Reimbursement for Expenses. Vendor shall not be reimbursed for any expenses unless authorized in writing by City.

3.4 Extra Work. At any time during the term of this Agreement, City may request that Vendor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Goods and Services, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Vendor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.5 Automated Clearing House ("ACH") payments. It is the City's policy to pay its consultant invoices via electronic fund transfers through the ACH network. All payments due and owing pursuant to a properly issued and correct invoice or under this Agreement shall be made through electronic ACH transfers, unless otherwise agreed upon by both Parties in writing. Vendor shall provide the City with ACH payment details whereby the City shall initiate the ACH transfers to Vendor in the amount required pursuant to a properly issued and correct invoice or under this Agreement. Each Party shall undertake any and all required actions and execute any required documents, instruments, or agreements required to effectuate the requirements of this Section. In the event the City erroneously deposits funds into an account, or otherwise deposits funds to which Vendor is not entitled: (1) Vendor shall immediately notify the City and the financial institution; (2) Vendor shall not withdraw any of the funds which were erroneously deposited or to

which Vendor is not entitled; and (3) Vendor authorizes both the City and financial institution to take all actions necessary to correct the error and return to the City all funds erroneously deposited or to which Vendor is not entitled.

4. RESPONSIBILITIES OF VENDOR.

4.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Vendor or under its supervision. Vendor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Vendor on an independent contractor basis and not as an employee. Vendor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Vendor shall also not be employees of City and shall at all times be under Vendor's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Vendor or any of Vendor's officers, employees or agents, except as set forth in this Agreement. Vendor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of providing Goods and Services under this Agreement and as required by law. Vendor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

4.2 Schedule of Services.

4.2.1 Vendor shall perform the Services and provide Goods expeditiously, within the term of this Agreement, and in accordance with the Schedule of Goods and Services set forth in Exhibit "B" attached hereto and incorporated herein by reference ("Performance time"). Upon request of City, Vendor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Goods and Services. Vendor agrees that if the Goods are not provided and/or the Services are not completed within the Performance Time, it is understood, acknowledged and agreed that the City will suffer damage.

4.2.2 Neither City nor Vendor shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Vendor and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this Section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the Agreement.

4.2.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Vendor to any additional compensation.

Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

4.3 Conformance to Applicable Requirements. All work prepared by Vendor shall be subject to the approval of City.

4.4 Acceptance. The Goods shall be received subject to City's inspection and right of rejection. The Goods shall not be considered accepted until inspection, testing and/or use of the Goods is found to be in accordance with the City's specifications. Final inspection of the Goods shall be at the location specified herein, unless otherwise agreed in writing. If the Goods are found at any time to be defective in material or workmanship, or otherwise not in conformance with specifications, City shall have the right, in addition to any other rights which it may have under warranties or otherwise, to reject such Goods in whole or in part. Rejected Goods shall be held at Vendor's risk for a reasonable time thereafter and shall be returned or disposed of at Vendor's expense. No rejected Goods shall be replaced by Vendor without written instruction or authorization from City.

4.5 Coordination of Services. Vendor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

4.6 Standard of Care; Performance of Employees. Vendor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Vendor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Vendor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Vendor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City business license, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Vendor shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Vendor's failure to comply with the standard of care provided for herein. Any employee of the Vendor or its sub-Vendors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Services, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed by the Vendor and shall not be re-employed to perform any of the Services provided under this Agreement.

4.7 Warranty. In addition to all warranties which may be provided by law, Vendor warrants that the Goods delivered hereunder shall, (a) be free from defect of material or workmanship and conform strictly to the specifications, drawings, or sample specified or furnished; (b) conform to drawings, plans, specifications, samples or other descriptions furnished, specified, accepted or approved by City; and (c) be merchantable and fit for the purposes intended. The warranty shall be for a period of one (1) year, or such longer period as provided by a manufacturer's warranty or as agreed to by Vendor and City, from the date of final written acceptance of the Goods by City. This warranty shall survive any inspection, delivery, acceptance, or payment by City of the Goods. Vendor, at its own expense, shall repair or replace, at the option of City, any defective Goods within two (2) business days after receipt of notice from City or within four (4) hours in case of emergency, as determined by City. Vendor also warrants

that the Goods are free and clear of all liens and encumbrances whatsoever, that Vendor is conveying good and marketable title to same, and that Vendor owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Goods. Vendor agrees to indemnify, defend and hold City harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

4.8 Reserved.

4.9 Disputes. Should any dispute arise respecting the true value of any work done, of any work omitted, or of any extra work which Vendor may be required to do, or respecting the size of any payment to Vendor during the performance of this Contract, Vendor shall continue to perform the Work while said dispute is decided by the City. If Vendor disputes the City's decision, Vendor shall have such remedies as may be provided by law.

4.10 Laws and Regulations; Employee/Labor Certifications. Vendor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting its performance under this Agreement, including all Cal/OSHA requirements, and shall give all notices required by law. Vendor shall be liable for all violations of such laws and regulations in connection with this Agreement. If the Vendor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Vendor shall be solely responsible for all costs arising therefrom. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Agreement to the same extent as though set forth herein and will be complied with. These include but are not limited to the payment of prevailing wages, the stipulation that eight (8) hours' labor shall constitute a legal day's work and that no worker shall be permitted to work in excess of eight (8) hours during any one calendar day except as permitted by law. Vendor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

4.10.1 Employment Eligibility; Vendor. By executing this Agreement, Vendor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time. Such requirements and restrictions include, but are not limited to, examination and retention of documentation confirming the identity and immigration status of each employee of the Vendor. Vendor also verifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement. Vendor shall avoid any violation of any such law during the term of this Agreement by participating in an electronic verification of work authorization program operated by the United States Department of Homeland Security, by participating in an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, or by some other legally acceptable method. Vendor shall maintain records of each such verification, and shall make them available to the City or its representatives for inspection and copy at any time during normal business hours. The City shall not be responsible for any costs or expenses related to Vendor's compliance with the requirements provided for in Section 4.10 or any of its sub-sections.

4.10.2 Employment Eligibility; Subcontractors, and Consultants. To the same extent and under the same conditions as Vendor, Vendor shall require all of its subcontractors, and consultants performing any work relating to this Agreement to make the same verifications and comply with all requirements and restrictions provided for herein.

4.10.3 Employment Eligibility; Failure to Comply. Each person executing this Agreement on behalf of Vendor verifies that they are a duly authorized officer of Vendor, and understands that any of the following shall be grounds for the City to terminate the Agreement for cause: (1) failure of Vendor or its subcontractors, or consultants to meet any of the requirements provided for in Sections 4.10.1 or 4.10.2; (2) any misrepresentation or material omission concerning compliance with such requirements (including in those verifications provided to the Vendor under Section 4.10.2); or (3) failure to immediately remove from this contract any person found not to be in compliance with such requirements.

4.10.4 Labor Certification. By its signature hereunder, Vendor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

4.10.5 Equal Opportunity Employment. Vendor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Vendor shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

4.10.6 Air Quality. Vendor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Vendor shall specifically be aware of the CARB limits and requirements' application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Vendor shall indemnify City against any fines or penalties imposed by CARB or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Vendor, its subcontractors, or others for whom Vendor is responsible under its indemnity obligations provided for in this Agreement.

4.10.7 Water Quality.

4.10.7.1 Management and Compliance. To the extent applicable, Vendor's Services must account for, and fully comply with, all local, state and federal laws, rules and regulations that may impact water quality compliance, including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); laws, rules and regulations of the Environmental Protection Agency, the State Water Resources Control Board and the Santa Ana Regional Water Quality Control Board; the City's ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

4.10.7.2 Liability for Non-Compliance. Failure to comply with the laws, regulations and policies described in this Section is a violation of law that may subject Vendor or City to penalties, fines, or additional regulatory requirements. Vendor shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from and against any and all fines, penalties, claims or other regulatory requirements imposed as a result of Vendor's non-compliance with the laws, regulations and policies described in this Section, unless such non-compliance is the result of the sole negligence or willful misconduct of the City, its officials, officers, agents, employees or authorized volunteers.

4.10.7.3 Training. In addition to any other standard of care requirements set forth in this Agreement, Vendor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them without impacting water quality in violation of the laws, regulations and policies described in this Section. Vendor further warrants that it, its employees and subcontractors will receive adequate training, as determined by City, regarding the requirements of the laws, regulations and policies described in this Section as they may relate to the Services provided under this Agreement. Upon request, City will provide Vendor with a list of training programs that meet the requirements of this paragraph.

5. PROJECT MANAGEMENT

5.1 City's Representative. The City hereby designates Daniel Beers, Design & Construction Director, or his designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Agreement. Vendor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

5.2 Vendor's Representative. Vendor hereby designates Margaret Pett, Project Manager, or her designee, to act as its representative for the performance of this Agreement ("Vendor's Representative"). Vendor's Representative shall have full authority to represent and act on behalf of the Vendor for all purposes under this Agreement. The Vendor's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all work required under this Agreement.

6. INSURANCE.

6.1 Time for Compliance. Vendor shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this Section. In addition, Vendor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this Section.

6.2 Minimum Requirements. Vendor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Vendor, its agents, representatives, employees or subcontractors. Vendor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

6.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. The policy shall not contain any exclusion contrary to the Agreement, including but not limited to endorsements or provisions limiting coverage for (1) contractual liability (including but not limited to ISO CG 24 26 or 21 29); or (2) cross liability for claims or suits by one insured against another.

6.2.2 Minimum Limits of Insurance. Vendor shall maintain limits no less than: (1) *General Liability:* $2,000,000 MINIMUM per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability:* $2,000,000 MINIMUM; per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of $1,000,000 MINIMUM; per accident for bodily injury or disease. Defense costs shall be paid in addition to the limits.

If umbrella or excess liability coverage is used to meet any required limit(s) specified herein, the Contractor shall provide a "follow form" endorsement satisfactory to the City indicating that such coverage is subject to the same terms and conditions as the underlying liability policy.

6.2.3 Manufacturer of Goods. If Vendor is also the manufacturer of any equipment included in the Goods, Vendor shall carry Product Liability and/or Errors and Omissions Insurance which covers said equipment with limits of not less than $1,000,000.

6.2.4 Notices; Cancellation or Reduction of Coverage. At least fifteen (15) days prior to the expiration of any such policy, evidence showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or materially reduced, Vendor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Vendor or the City may withhold amounts sufficient to pay premium from Vendor payments. In the alternative, the City may suspend or terminate this Agreement.

6.2.5 Additional Insured. The City of Ontario, its directors, officials, officers, employees, agents, and volunteers shall be named as additional insureds on Vendor's and its subcontractors' policies of commercial general liability and automobile liability insurance using the endorsements and forms specified herein or exact equivalents.

6.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Vendor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

6.3.1 General Liability. The general liability policy shall include or be endorsed (amended) to state that: (1) using ISO CG forms 20 10 and 20 37, or endorsements providing the exact same coverage, the City of Ontario, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Services or ongoing and complete operations performed by or on behalf of the Vendor, including materials, parts or equipment furnished in connection with such work; and (2) using ISO form 20 01, or endorsements providing the exact same coverage, the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Vendor's scheduled underlying coverage. Any excess insurance shall contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of the City, before the City's own primary insurance, deductible, or self-insurance shall be called upon to protect it as a named insured. Any insurance, deductible, or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Vendor's insurance and shall not be called upon to contribute with it in any way. Notwithstanding the minimum limits set forth in Section 6.2.2, any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Section 6.3.1.

6.3.2 Automobile Liability. The automobile liability policy shall include or be endorsed (amended) to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Vendor or for which the Vendor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Vendor's scheduled underlying coverage. Any insurance, deductible, or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Vendor's insurance and shall not be called upon to contribute with it in any way. Policy shall contain or be endorsed to contain such provisions. Notwithstanding the minimum limits set forth in Section 6.2.2, any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Section 6.3.2.

6.3.3 Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Vendor.

6.3.4 All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days (10 days for nonpayment of premium) prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officials, officers, employees, agents and volunteers, or any other additional insureds.

6.4 Separation of Insureds; No Special Limitations; Waiver of Subrogation. All insurance required by this Section shall contain standard separation of insureds provisions. In

addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. All policies shall waive any right of subrogation of the insurer against the City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, or shall specifically allow Vendor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Vendor hereby waives its own right of recovery against City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

6.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Vendor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Vendor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

6.6 Subcontractor Insurance Requirements. Vendor shall not allow any subcontractors to commence work on any subcontract relating to the work under the Agreement until they have provided evidence satisfactory to the City that they have secured all insurance required under this Section. If requested by Vendor, the City may approve different scopes or minimum limits of insurance for particular subcontractors. The Vendor and the City shall be named as additional insureds on all subcontractors' policies of Commercial General Liability using ISO form 20 38, or coverage at least as broad.

6.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the City.

6.8 Verification of Coverage. Vendor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.9 Reporting of Claims. Vendor shall report to the City, in addition to Vendor's insurer, any and all insurance claims submitted by Vendor in connection with the Services under this Agreement.

7. INDEMNIFICATION.

7.1 Scope of Indemnity. To the fullest extent permitted by law, Vendor shall defend, indemnify and hold the City, its officials, employees, agents and volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining

to, or incident to any acts, errors or omissions, or willful misconduct of Vendor, its officials, officers, employees, subcontractors, consultants or agents arising out of or in connection with the Services, the Goods or this Agreement, including without limitation the payment of all expert witness fees, attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Vendor's indemnity obligation shall not apply to such loss or damage which is caused by the sole negligence or willful misconduct of the City.

7.2 Additional Indemnity Obligations. Vendor shall defend, with counsel of City's choosing and at Vendor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and volunteers. In addition, Vendor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and volunteers as part of any such claim, suit, action or other proceeding. Vendor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Vendor shall reimburse City and its officials, employees, agents and volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Vendor's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and volunteers.

8. CALIFORNIA LABOR CODE

8.1 Prevailing Wages. Vendor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is $1,000 or more, Vendor agrees to fully comply with such Prevailing Wage Laws. City shall provide Vendor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Vendor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Vendor's principal place of business and at the project site. Vendor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Vendor shall therefore comply with such Labor Code sections to the fullest extent required by law.

8.2 Registration. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Vendor and all subcontractors must be registered with the Department of Industrial Relations. Vendor shall maintain registration for the duration of this Agreement and require the same of any subcontractor. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

8.3 Compliance Monitoring. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Vendor's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Vendor or any subcontractor that affect Vendor's performance of Services, including any delay, shall be Vendor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Vendor caused delay and shall not be compensable by the City. Vendor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Vendor or any subcontractor.

9. SAFETY.

Vendor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its services, the Vendor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

10. ACCOUNTING RECORDS.

Vendor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Vendor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Vendor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

11. TERMINATION OF AGREEMENT.

11.1 Grounds for Termination. City may, by written notice to Vendor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Vendor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Vendor shall be compensated only for those Services and Goods which have been adequately rendered to City, and Vendor shall be entitled to no further compensation. If terminated for cause because the Vendor refused or failed to deliver the Goods, the City may obtain Goods by whatever method it may deem expedient. If City's cost of obtaining the Goods, including compensation for additional managerial and administrative services, will exceed the unpaid balance of the Goods, Vendor will be liable for and will pay the difference to City. Vendor may not terminate this Agreement except for cause. The rights and remedies of the City provided in this Section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

11.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Vendor to provide all finished or unfinished documents and data and other information of any kind prepared by Vendor in connection with the performance of the Services under this Agreement. Vendor shall be required to provide such document and other information within fifteen (15) days of the request.

11.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, goods and services similar to those terminated.

12. GENERAL PROVISIONS.

12.1 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Vendor:

Info -Com Business Products
1472 Morada Place
Altadena, CA 91001
Attn: Margaret Pett, Project Manager

City:

City of Ontario
303 East "B" Street
Ontario, CA 91764-4196
Attn: Daniel Beers, Design & Construction Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

12.2 Subcontracting. Vendor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

12.3 Governing Law; Government Code Claim Compliance. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Bernardino County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Vendor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Vendor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Vendor shall be barred from bringing and maintaining a valid lawsuit against the City.

12.4 Time of Essence. Time is of the essence for each and every provision of this Agreement.

12.5 City's Right to Employ Other Vendors. City reserves right to employ other Vendors in connection with the Goods and Services provided under this Agreement.

12.6 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

12.7 Assignment or Transfer. Vendor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

12.8 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Vendor include all personnel, employees, agents, and subcontractors of Vendor, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

12.9 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

12.10 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

12.11 No Third Party Beneficiaries. Except to the extent expressly provided for in Section 12.7, there are no intended third party beneficiaries of any right or obligation assumed by the Parties.

12.12 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

12.13 Prohibited Interests. Vendor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Vendor, to solicit or secure this Agreement. Further, Vendor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Vendor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Vendor further agrees to file, or shall cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of

this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

12.14 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

12.15 Authority to Enter Agreement. Vendor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

12.16 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

12.17 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE FOR THE GOODS & SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO
AND MARGARET C. PETT, INC. DBA INFO – COM BUSINESS PRODUCTS

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
Assistant City Clerk

Margaret C. Pett, Inc. dba Info – Com Business Products

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

[If Corporation, TWO SIGNATURES, President OR Vice President AND Secretary OR Treasurer REQUIRED]

EXHIBIT "A"

SCOPE OF SERVICES

Ontario Sport Empire FF+E Budget Proposal
4/7/2026
Prepared by: Info-Com Business Products
Contact: Margaret Pett 626-818-2312
margaret@infocombp.com

AREA USED	# QTY	CODE	DESCRIPTION
OUTDOOR	78	3A	ALUMINUM ADIRONDACK: YELLOW GREEN RAL 6018
	111	3B	BASEBALL: ALUMINUM ADIRONDACK: ORANGE RAL 2011
	20	F1	42" SQ ADA TABLE: RAL WHITE
	18	F2	16' UMBRELLA: BRUSHED SILVER, WHITE R-099
	68	F4	RED ADIRONDACK CHAIR: FRAME DEEP RED ANTIQUE, SEAT/BACK ANTIQUE MAHOGANY
	80	F5	NEWPORT DINING TABLE 48" SQ: RAL WHITE
	169	F6A	EVERYDAY ARMLESS WHITE
	183	F6B	EVERYDAY ARMLESS MANGO
	50	F6C	EVERYDAY ARMLESS LEAF GREEN
	115	F6D	EVERYDAY ARMLESS SUNSET ORANGE
	27	F6E	EVERYDAY ARMLESS RED
	23	F8A	13' UMBRELLA: BRUSHED SILVER, PISTACHIO R-160
	31	F8B	BASEBALL 13' UMBRELLA: BRUSHED SILVER, ORANGE R-567
	4	F8C	13' UMBRELLA: BRUSHED SILVER, YELLOW R-554
	12	F9	11' SQ UMBRELLA: Push Pin - BRUSHED SILVER, FABRIC WHITE R099
	48	F10A	LOOP CHAIR: HIGH CLOUD WHITE
	48	F10B	LOOP CHAIR : SANDSTONE
	12	F11	60"D WICKER TABLE: BASE WHITE, TOP TEAK 90047
	110	F12	NEWPORT DINING TABLE 36" SQ: RAL WHITE
	96	P1	DEEP DEX CHAIR: FRAME HEATHERED TEAK, CUSHION SUNBRELLA TRUSTED FROG
	96	P1-UC	DEEP DEX CUSHION
	117	P2	MAD CHAT CHAIR: FRAME WHITE, SEAT/BACK HEATHERED TEAK
	124	P3	POUF STOOL: WHITE WICKER 90047
	124	P3-UC	POUF CUSHION
	38	P4	48"D COFFEE TABLE: UMBRA GRAY RAL 7022
	4	P5	CONE 58"D COFFEE TABLE: UMBRA GRAY RAL 7022
	12	P6	96" DINING TABLE: RAL WHITE
	104	P7	BATTERY CHAIR: FRAME WHITE, SEAT/BACK RED RAL 3003
	4	P8	96" BAR HEIGHT TABLE: RAL WHITE
	32	P9	BAR STOOL ALUMINUM: WOODGRAIN POLY LUMBER, FRAME DEEP RED, SEAT ANTIQUE MAHOGANY
	32	UC-Bench	1 SET SEAT AND BACK FOR 2 PEOPLE
OUTDOOR GAMES	2	GM-1	OUTDOOR FUSEBALL RS2
	2	GM-2	OUTDOOR PING PONG
	2	GM-3	OUTDOOR CORNHOLE
ATTIC STOCK	7	3A	ALUMINUM ADIRONDACK: YELLOW GREEN RAL 6018

AREA USED	#	QTY	CODE	DESCRIPTION
		7	3B	BASEBALL: ALUMINUM ADIRONDACK: ORANGE RAL 2011
		4	F1	42" SQ ADA TABLE: RAL WHITE
		4	F2	16' UMBRELLA: BRUSHED SILVER, WHITE R-099
		7	F4	RED ADIRONDACK CHAIR: FRAME DEEP RED ANTIQUE, SEAT/BACK ANTIQUE MAHOGANY
		10	F5	NEWPORT DINING TABLE 48" SQ: RAL WHITE
		6	F5A	EVERYDAY ARMLESS WHITE
		12	F5B	EVERYDAY ARMLESS MANGO
		15	F5C	EVERYDAY ARMLESS LEAF GREEN
		10	F5D	EVERYDAY ARMLESS SUNSET ORANGE
		8	F5E	EVERYDAY ARMLESS RED
		7	F8A	13' UMBRELLA: BRUSHED SILVER, PISTACHIO R-160
		10	F8B	BASEBALL 13' UMBRELLA: BRUSHED SILVER, ORANGE R-567
		2	F8C	13' UMBRELLA: BRUSHED SILVER, YELLOW R-554
		3	F9	11' SQ UMBRELLA: Push Pin - BRUSHED SILVER, FABRIC WHITE R099
		7	F10A	LOOP CHAIR: HIGH CLOUD WHITE
		7	F10B	LOOP CHAIR : SANDSTONE
		2	F11	60"D WICKER TABLE: BASE WHITE, TOP TEAK 90047
		10	F12	NEWPORT DINING TABLE 36" SQ: RAL WHITE
		9	P1	DEEP DEX CHAIR: FRAME HEATHERED TEAK, CUSHION SUNBRELLA TRUSTED FROG
		14	P1-UC	DEEP DEX CUSHION
		8	P2	MAD CHAT CHAIR: FRAME WHITE, SEAT/BACK HEATHERED TEAK
		5	P3	POUFS STOOL: WHITE WICKER 90047
		10	P3-UC	POUF CUSHION
		5	P4	48"D COFFEE TABLE: UMBRA GRAY RAL 7022
		1	P5	CONE 58"D COFFEE TABLE: UMBRA GRAY RAL 7022
		2	P6	96" DINING TABLE: RAL WHITE
		11	P7	BATTERY CHAIR: FRAME WHITE, SEAT/BACK RED RAL 3003
		2	P8	96" BAR HEIGHT TABLE: RAL WHITE
		8	P9	BAR STOOL ALUMINUM: WOODGRAIN POLY LUMBER, FRAME DEEP RED, SEAT ANTIQUE MAHOGANY
		4	UC-Bench	1 SEAT AND BACK CUSHION
OUTDOOR GAMES		2	GM-1	OUTDOOR FUSEBALL RS2
		2	GM-2	OUTDOOR PING PONG
		2	GM-3	OUTDOOR CORNHOLE
CONTRACTOR PURCHASE/INSTALL		0	90	BENCH
		0	31C	FOOD WASTE RECEPTACLE
		0	31B	RECYCLING RECEPTACLE

AREA USED	#	QTY	CODE	DESCRIPTION
		0	31A	TRASH RECEPTACLE
		6	91A	PICNIC TABLES
		3	91B	PICNIC TABLES
CONCESSION BLDG A FIRST FLOOR		6	RACK #2	COLD STORAGE
		10	RACK #3	COLD STORAGE
		4	RACK #4	COLD STORAGE
		2	RACK #2	FREEZER STORAGE
		6	RACK #3	FREEZER STORAGE
		2	RACK #4	FREEZER STORAGE
		4	RACK #5	FREEZER STORAGE
		4	RACK #2	DRY STORAGE
		4	RACK #4	DRY STORAGE
		6	RACK #5	DRY STORAGE
CONCESSION BLDG A SECOND FLOOR		8	RACK #2	COLD STORAGE
		4	RACK #3	COLD STORAGE
		2	RACK #5	COLD STORAGE
		2	RACK #1	DRY STORAGE
		2	RACK #2	DRY STORAGE
		4	RACK #3	DRY STORAGE
		2	RACK #4	DRY STORAGE
		20	TABLE #2	OUTDOOR DINING HEIGHT TABLE
		12	TABLE #3	OUTDOOR DINING HEIGHT TABLE
		28	TABLE #1	INDOOR DINING HEIGHT TABLE
		64	SEATING #4	OUTDOOR STOOL
		112	SEATING #3	INDOOR DINING CHAIR
		14		DINING CHAIR DOLLY
		2	DESK #1	30X54 DESK SHELL WITH CREDENZA & 90"W WALL MOUNTED OVERHEAD WITH TASKLIGHT AND TACKBOARD
		2	DESK #2	78X30 DESK SHELL AND RETURN 90"W WALL MOUNTED OVERHEAD WITH TASKLIGHT AND TACKBOARD
		4		VICTORY BASE
		4		MOBILE B/B/F PEDESTAL
		4		DOUBLE DOOR STORAGE 36"W
		4	ERGO #1	DUAL MONITOR ARM
		4	ACCESSORY #1	WB MAGNETIC 4X6
		4	SEATING #1	TASK CHAIR ON CASTERS
		4	SEATING #2	GUEST CHAIR
CONCESSIONS BLDG B CONCEPT		8	RACK #1	COLD STORAGE

AREA USED	#	QTY	CODE	DESCRIPTION
		8	RACK #2	COLD STORAGE
		4	RACK #3	COLD STORAGE
		16	RACK #4	COLD STORAGE
		16	RACK #1	DRY STORAGE
		4	RACK #2	DRY STORAGE
		4	RACK #3	DRY STORAGE
		16	RACK #4	DRY STORAGE
LARGE MAINTENANCE BLDG		10	SEATING #6	DS100 SPECTATOR SERIES - INDOOR/OUTDOOR
		1	DESK #3	30X 60 DESK SHELL
		1		VICTORY BASE
		1		B/B/F PEDESTAL
		2		LATERAL FILE 30"W
		1		DOUBLE DOOR STORAGE 36"W
		1	ERGO #1	DUAL MONITOR ARM
		1	ACCESSORY #1	WB MAGNETIC 4X6
		1	SEATING #1	TASK CHAIR ON CASTERS
		2	SEATING #2	GUEST CHAIR
		3	TABLE #4	36" DINING TABLE
		6	SEATING #5	BREAKROOM CHAIR
TICKET SALES		6		LATERAL FILE 30"W
		6		DOUBLE DOOR STORAGE 36"W
		6	SEATING #1	TASK CHAIR ON CASTERS
A7 FOOD SERVICES STORAGE BLDG		13	RACK #3	COLD STORAGE
		24	RACK #4	COLD STORAGE
		1	RACK #1	FREEZER STORAGE
		2	RACK #3	FREEZER STORAGE
		17	RACK #4	FREEZER STORAGE
		1	RACK #5	FREEZER STORAGE
		1	RACK #6	DRY STORAGE
		8	RACK #7	DRY STORAGE
		1	ERGO #1	DUAL MONITOR ARM
		1	ACCESSORY #1	WB MAGNETIC 4X6
		1	SEATING #1	TASK CHAIR ON CASTERS
		1	SEATING #2	GUEST CHAIR
GREEN ROOM SECURITY BLDG		1	DESK #4	30X72 DOUBLE PED DESK, CREDENZA AND BOOKCASE
		1		VICTORY BASE

AREA USED	#	QTY	CODE	DESCRIPTION
		2		B/B/F PEDESTAL
		1		LATERAL FILE 30"W
		1		DOUBLE DOOR STORAGE 36"W
		1		36"WX66"H BOOKCASE
		3	ERGO #1	DUAL MONITOR ARM
		1	ACCESSORY #1	WB MAGNETIC 4X6
		7	SEATING #1	TASK CHAIR ON CASTERS
		1	SEATING #2	GUEST CHAIR
		3	RACK #8	STORAGE ROOM SHELVING
		1	RACK #9	STORAGE ROOM SHELVING
FIRST AID		1		30X72 DOUBLE PED DESK, CREDENZA AND BOOKCASE
		1		VICTORY BASE
		2		B/B/F PEDESTAL
		1		LATERAL FILE 30"W
		3	ERGO #1	DUAL MONITOR ARM
		1	ACCESSORY #1	WB MAGNETIC 4X6
		1	SEATING #1	TASK CHAIR ON CASTERS
		2		STOOL
CONFERENCE ROOM		1		144" TABLE WITH POWER
		12		CONFERENCE CHAIRS
		1		CREDENZA
		1		WB MAGNETIC 4X6
FLEX ROOM		6		NESTING TABLES 24X72
		12		NESTING CHAIR
		1		PODIUM
		1		CREDENZA
TRAINERS ROOM		1		DOUBLE PED DESK - 30X72
		1		VICTORY BASE
		1		TASK CHAIR ON CASTERS
		1		WB MAGNETIC 4X6
		2		STOOL
PARKING GARAGE		2	DESK #5	DOUBLE PED DESK - 30X72
		2		VICTORY BASE
		2		LATERAL FILE 30"W
		4		DOUBLE DOOR STORAGE 36"W
		2		36"WX66"H BOOKCASE

AREA USED	#	QTY	CODE	DESCRIPTION
		2		TASK CHAIR ON CASTERS
RESTROOMS		20		TRASH CANS FOR OFFICES
		16	MISC #1	SHARPS CONTAINERS
		4	MISC #2	SHARPS REFILL
OUTDOOR FIELD & SPORT EQUIPMENT		1		EXTERIOR PLAYING SURFACES
		1		BASEBALL RELATED EQUIPMENT - OUTDOORS
		1		BATTING CAGES - OUTDOORS
		1		SOCCER-RELATED EQUIPMENT - OUTDOORS
		1		SCOREBOARDS - OUTDOORS
		1		OTHER EQUIPMENT - OUTDOORS
F&B		1		FOOD SERVICE EQUIPMENT
		1		BREAKROOM EQUIPMENT
		1		BEVERAGE SERVICE EQUIPMENT
FURNISHINGS		1		OFFICE FURNITURE
		1		FLEX ROOM FURNITURE
		1		PLAZA FURNISHINGS
		1		TRAINERS' ROOM
		1		OUTDOOR SITE FURNISHINGS
LOCKER ROOMS		1		REF/UMPIRE LOCKER ROOM
		1		EMPLOYEE/STAFF LOCKERS
TECHNOLOGY		1		TVs, BRACKETS & INSTALLATION
		1		NETWORK/DATA/TELEPHONES
		1		AUDIO EQUIPMENT
		1		SECURITY & ACCESS CONTROL
		1		STREAMING SYSTEMS
		1		BUILDING CONTROLS (HVAC, Lights, Power)
		1		OFFICE EQUIPMENT
		1		POS SYSTEM
		1		HR/TIMEKEEPING; EMPLOYEE CHECKIN
SIGNAGE AND GRAPHIICS		1		INTERIOR SIGNAGE
		1		EXTERIOR SIGNAGE
		1		EVENT SPECIFIC OPERATIONS (Non-Sponsor)
MAINTENANCE		1		JANITORIAL EQUIPMENT
		1		TRASH EQUIPMENT
		1		MAINTENANCE EQUIPMENT
		1		GROUNDS KEEPING EQUIPMENT

AREA USED	#	QTY	CODE	DESCRIPTION	
		1		PARKING EQUIPMENT	
		1		RESTROOM EQUIPMENT	
		1		MEDICAL & SAFETY ITEMS	
		1		CROWD CONTROL	
		1		TURF MAINTENANCE EQUIPMENT	
RETAIL/MERCHANDISE/NOVELTY		1		MERCHANDISING EQUIPMENT	
		1		HARDWARE	
				FURNITURE TOTAL	$12,337,137.45
				INSTALLATION/PM	$1,885,000.00
				SUBTOTAL	$14,222,137.45
				8.75% SALES TAX	$1,244,437.03
				ESTIMATED FREIGHT	$275,000.00
				PROJECT TOTAL	**$15,741,574.47**

-QUOTE VALID FOR 30 DAYS. ANY PRODUCTS WITH IMMINENT PRICE INCREASES WERE BUDGETED USING FORTHCOMING PRICELIST WHERE AVAILABLE

-TERMS: 50% DEPOSIT TO INITIATE ORDER, 25% BEFORE DELIVERY, BALANCE 15 DAYS

-INSTALLATION: ALL WORK TO BE PERFORMED DURING NORMAL BUSINESS HOURS.

-AREA TO BE FREE AND CLEAR TO RECEIVE PRODUCT.

-IT IS THE RESPONSIBILITY OF THE CUSTOMER TO BUDGET FOR PRICE INCREASES OVER THE COURSE OF THE PROJECT IF NOT ORDERED IN 30 DAYS

-WORK TO BE PERFORMED IN PHASES OVER MULTIPLE DAYS

-WAREHOUSING NOT INCLUDED. PRODUCT RECEIVED AT WAREHOUSE TO BE STORED UP TO 4 WEEKS WITHOUT STORAGE FEES. AFTER A PERIOD OF FOUR WEEKS, ANY PRODUCT BEING STORED SUBJECT TO STORAGE FEES TO BE QUOTED BASED ON VOLUME OR PALETTE SIZE AT TIME OF STORAGE.

-QUOTED AS PREVAILING WAGE LABOR

-ESTIMATED LEAD TIME: 8-27 WEEKS. VARIES BY MANUFACTURER AND DEPENDENT ON MATERIAL AVAILABILITY AT TIME OF ORDER

-ALL ORDERS ARE FINAL ONCE ENTERED - NO CANCELLATIONS; NO RETURNS

SHIP TO:
Ontario Sports Empire
9375 E Riverside Dr, Ontario, CA 91761
Site Contact: Dan Beers
818-388-0212

PURCHASE ORDER TO:
Info-Com Business Products
2063 Pepper Drive
Altadena, CA 91001
margaret@infocombp.com

AIS Omnia Contract # R240101
Valid: December 17, 2024 through December 31, 2027
Member Number: Force ID:
Member Name: City Of Ontario
Member Billing Address: 1425 S Bon View Ontario, CA 91761
Member Install Address: 9375 E Riverside Dr, Ontario, CA 91761

EXHIBIT “B”

SCHEDULE OF SERVICES

MAY 5, 2026, TO JANUARY 15, 2027

EXHIBIT "C"

COMPENSATION

NTE $15,741,575

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Daniel P Beers Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 9

SUBJECT: **AWARD OF FOUR CONSTRUCTION CONTRACTS (STEEL, CONCRETE, SITE UTILITIES, ELECTRICAL) AND APPROVAL OF AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH RMA GROUP FOR THE FLIGHT TOWER RESTAURANT PROJECT**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute four Construction Contracts to provide various construction services for Bid No. 1985 - D&C25-004 – Flight Tower Restaurant (Steel, Concrete, Site Utilities, Electrical) located at ONT Field, in the amount of $6,029,470 and authorize a combined contingency of $1,000,000 for a total not-to-exceed contract amount of $7,029,470,
    1. 02 – Structural Steel – KCB Towers, Inc.: $2,687,675
    2. 03 – Concrete – Pacific Southwest Structures, Inc.: $2,517,095
    3. 04 – Site Utilities – Continental Plumbing, Inc.: $425,000
    4. 05 - Electrical – Rancho Pacific Electric Construction, Inc.: $399,700; and

B. Reject the bid protest from RCCI DBA Ramirez Company for D&C25-004 – Flight Tower Restaurant (Steel, Concrete, Site Utilities, Electrical) as it is without merit; and

C. Authorize the extension of working hours to be Monday through Saturday from 6:00 am to 11:00 pm and on Sunday from 8:00 am to 6:00 pm for the duration of the construction of the Flight Tower Restaurant; and

D. Authorize the City Manager or his designee to execute Amendment No. 5 to the Professional Services Agreement with RMA Group, of Rancho Cucamonga, California to provide on-call geotechnical consulting, materials testing and special inspection for the Flight Tower Restaurant at ONT Field in the amount of $107,118 for a total not-to-exceed contract amount of $5,643,363; and

E. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT:

Four (4) Construction Contracts- Flight Tower Restaurant: The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Project Funds for the Flight Tower Restaurant at ONT Field. The proposed contract award to the four contractors for the construction of the D&C25-004 Flight Tower Restaurant is in the amount of $6,029,470 plus a combined contingency of $1,000,000 for a total not-to-exceed contract amount of $7,029,470.

RMA Group: The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Project Funds for the Flight Tower Restaurant at ONT Field. The proposed Amendment No. 5 to the Professional Services Agreement with RMA Group for on-call geotechnical consulting, materials testing and special inspection for the Flight Tower Restaurant is in the amount of $107,118 for a total not-to-exceed contract amount of $5,643,363.

BACKGROUND & ANALYSIS: On April 9, 2026, eighteen bids were received for Bid No. 1985 - D&C25-004 – Flight Tower Restaurant. Below is a list of the lowest responsible/responsive bids received:

Bid Package No.	Bidder	Location	Amount
02 - Structural Steel	KCB Towers, Inc.	Banning, CA	$2,687,675
03 - Concrete	Pacific Southwest Structures	Lemon Grove, CA	$2,517,095
04 - Site Utilities	Continental Plumbing, Inc.	Jurupa Valley, CA	$425,000
05 - Electrical	Rancho Pacific Electric Construction, Inc.	Rancho Cucamonga, CA	$399,700

Tilden-Coil Constructors, Inc., the City's Construction Management Company for the Flight Tower Restaurant, and City Staff reviewed each bid, each company's qualifications, and responsiveness to the bid requirements. Based on the credentials, pricing, and reference checks, Staff recommends awarding Construction Contract D&C25-004 Flight Tower Restaurant to all the above referenced companies.

For Bid Package No. 03-Concrete, Horizons Construction Co. International, Inc. submitted the apparent low bid; however, the bid was determined to be non-responsive due to material omissions in the bid documents and was therefore substantively deficient. As a result, Horizons Construction Co. International, Inc. is recommended to be deemed non-responsive, and award of the contract is recommended to the next lowest responsive and responsible bidder, Pacific Southwest Structures.

On April 10, 2026, the City received a bid protest from RCCI alleging that Horizons Construction Co. International, Inc., Pacific Southwest Structures, and Gonsalves & Santucci, Inc. dba Conco were non-responsive based on not meeting the subcontractor listing requirements, and asserting RCCI should be deemed the lowest bidder. After review, City Staff issued a response concluding the protest was without merit and confirming that Pacific Southwest Structures remains the lowest responsive and responsible bidder.

On May 2, 2023, the City Council approved a Professional Services Agreement with RMA Group. RMA Group performed the special inspection for the ONT Field. The construction of the Flight Tower Restaurant requires geotechnical consulting, materials testing, and special inspection. Staff recommends approving Amendment No. 5 to the Professional Services Agreement with RMA Group due to its familiarity with the project.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. **D&C25-004 Flight Tower Restaurant – Structural Steel** is made and entered as of _____, by and between City of Ontario, with its principal place of business at 303 East "B" Street, Ontario, CA 91764, sometimes hereinafter called the "City" and **KCB Towers, Inc.**, sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

Flight Tower Restaurant - Structural Steel

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within 373 calendar days from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Two Million Six Hundred Eighty-Seven Thousand Six Hundred Seventy-Five Dollars ($2,687,675)**. Payment shall be made as set forth in the General

Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $10,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

Notice Inviting Bids
Instructions to Bidders
Bid Forms
Bid Acknowledgement
Bid Schedule
Bid Guarantee
Designation of Subcontractors
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications
Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Scope of Work Summary
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

KCB Towers, Inc.

By: _____

Its: _____

Printed Name: _____

[DELETE THE FOLLOWING SIGNATURE LINE IF NOT **REQUIRED**]
By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. **D&C25-004 Flight Tower Restaurant – Concrete** is made and entered as of _____, by and between City of Ontario, with its principal place of business at 303 East "B" Street, Ontario, CA 91764, sometimes hereinafter called the "City" and **Pacific Southwest Structures, Inc.**, sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

Flight Tower Restaurant - Concrete

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within 373 calendar days from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Two Million Five Hundred Seventeen Thousand and**

Ninety-Five Dollars ($2,517,095). Payment shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $10,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

Notice Inviting Bids
Instructions to Bidders
Bid Forms
Bid Acknowledgement
Bid Schedule
Bid Guarantee
Designation of Subcontractors
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications
Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Scope of Work Summary
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

Pacific Southwest Structures, Inc.

By: _____

Its: _____

Printed Name: _____

[DELETE THE FOLLOWING SIGNATURE LINE IF NOT **REQUIRED**]
By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. **D&C25-004 Flight Tower Restaurant – Site Utilities** is made and entered as of _____, by and between City of Ontario, with its principal place of business at 303 East "B" Street, Ontario, CA 91764, sometimes hereinafter called the "City" and **Continental Plumbing, Inc.**, sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

Flight Tower Restaurant – Site Utilities

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **373 calendar days** from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Four Hundred Twenty-Five Thousand Dollars ($425,000)**. Payment shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $10,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

- Notice Inviting Bids
- Instructions to Bidders
- Bid Forms
- Bid Acknowledgement
- Bid Schedule
- Bid Guarantee
- Designation of Subcontractors
- Non-Collusion Declaration Form
- Iran Contracting Act Certification
- Public Works Contractor DIR Registration Certification
- Performance Bond
- Payment (Labor and Materials) Bond
- Contract for Construction
- General Conditions
- Special Conditions
- Specifications
- Addenda
- Construction Plans and Drawings
- Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
- Applicable Local Agency Standards and Specifications, as last revised
- Reference Specifications
- Approved and fully executed Change Orders
- Permits
- Scope of Work Summary
- Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict,

the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

Continental Plumbing, Inc.

By: _____

Its: _____

Printed Name: _____

[DELETE THE FOLLOWING SIGNATURE LINE IF NOT **REQUIRED**]
By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. **D&C25-004 Flight Tower Restaurant – Electrical** is made and entered as of _____, by and between City of Ontario, with its principal place of business at 303 East "B" Street, Ontario, CA 91764, sometimes hereinafter called the "City" and **Rancho Pacific Electric Construction, Inc.**, sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

Flight Tower Restaurant – Electrical

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **373 calendar days** from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Three Hundred Ninety-Nine Thousand Seven Hundred**

Dollars ($399,700). Payment shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $10,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

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Instructions to Bidders
Bid Forms
Bid Acknowledgement
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Bid Guarantee
Designation of Subcontractors
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications
Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Scope of Work Summary
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

Rancho Pacific Electric Construction, Inc.

By: _____

Its: _____

Printed Name: _____

[DELETE THE FOLLOWING SIGNATURE LINE IF NOT **REQUIRED**]
By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 5 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND CERTERRA RMA GROUP DBA RMA GROUP

1. Parties and Date.

This Amendment No. 5 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and **Certerra RMA Group dba RMA Group**, a Corporation ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Consultant have entered into an agreement entitled "On-Call Material Testing & Geotechnical Engineering Services" dated May 2, 2023 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to exercise the two option years, include compaction testing, fenestration testing and special inspection for D&C25-004 Flight Tower Restaurant and increase the amount by $107,118 for a new not-to-exceed amount of $5,643,363. The Parties have heretofore entered into that Amendment No. 1 dated October 15, 2024, Amendment No. 2 dated November 18, 2025, Amendment No. 3 dated January 20, 2026, and Amendment No. 4 dated March 3, 2026.
.

2.3 Amendment Authority. This Amendment No. 5 is authorized pursuant to Section 3.7.14 of the Agreement.

3. Terms.

3.1 Amendment. Sections 3.1.1 and 3.2.1 of the Agreement is hereby amended in its entirety to read as follows:

> "3. 1. 1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and

customary work necessary to fully and adequately supply the professional material testing and geotechnical engineering services necessary for the Project (" Services"). The Services are more particularly described in Exhibit "A." All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations."

"3. 2. 1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C." The total compensation shall not exceed **Five Million Six Hundred Forty-Three Thousand and Three Hundred Sixty-Three Dollars ($5,643,363)** without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement."

Exhibit "A" – Scope of Services is hereby amended to add Attachment A which is hereto and incorporated herein by reference. All other previously added or deleted scope of services are retained in their entirety.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 5, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 5. From and after the date of this Amendment No. 5, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 5.

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 5.

3.4 Severability. If any portion of this Amendment No. 5 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5 Integration. This Amendment represents the entirety of the Parties' understanding relating to the subject of this Amendment, including written or verbal communications between the Parties, which shall have no relevance unless expressly incorporated herein. This is an integrated amendment.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 5 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND CERTERRA RMA GROUP DBA RMA GROUP

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 5 as of the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

Certerra RMA Group dba RMA Group

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

[If Corporation, TWO SIGNATURES, President OR Vice President AND Secretary OR Treasurer REQUIRED]

CERTERRA RMA GROUP

Materially Better™

Proposal No: 00-243036-3

April 22, 2026

City of Ontario
1425 S Bon View Avenue
Ontario, CA 91761

Attention: Daniel Beers,

Subject: Proposal to Provide Construction Inspection and Testing Services

Ontario Sports Park
Riverside Dr and Ontario Ave
Ontario, CA

Dear Daniel Beers,

Certerra RMA Group ("RMA") is pleased to present our proposal to provide construction inspection and testing services for the Ontario Sports Park Experience Flight Tower Restaurant project.

Project Understanding

We understand that the project will consist of construction of the Tower Flight Restaurant beyond right field at ONT Stadium. Based on our review of civil and foundation plans we understand that construction inspection and testing services will be required.

Scope of Work

A detailed description of the tasks required to complete this scope of work and an estimate of the costs associated with our work are detailed herein.

Compaction Testing of Trench Backfill and Street Improvements

Our services will consist of compaction testing of the backfill of the utility trenches and subgrade and aggregate base for paved areas on site and within the street right of way.

We will provide a technician to perform in place density tests (compaction tests) by either the sand cone method (ASTM D1556) or the nuclear gauge method (ASTM D6938), water content tests, and maximum density optimum moisture tests per ASTM D1557 at locations selected byour representative. Testing would be performed after compaction has been completed by the contractors and observation of compaction methods used by the contractor would not be included in the scope of our work.

Trench backfill compaction tests would be taken at locations and frequencies in accordance to guidelines provided by the governing public agency. If the governing public agency does not have established testing guidelines then the following guidelines would be used. Test locations on the main trenches would be spaced no more than 300 linear feet apart and 20% of the lateral trenches would be tested. Compaction tests would be taken at mid depth in the backfill zone and in the subgrade zone in trenches with depths of 4 feet or less. One half of the tests shall be

taken from each depth. Trenches deeper than 4 feet would be tested in each 4 foot lift and the subgrade zone. No tests would be taken in the bedding or pipe zone. Excavating of test holes in excess of 1.0 feet in depth would not be included within the work scope.

Subgrade compaction tests of paved areas on site and within the street right of way would be taken at locations be selected by our technician that represent the surface appearance of the subgrade at the time of testing. Test locations would be spaced no more than 100 linear feet apart.

A written report summarizing the results of all tests performed will be prepared upon completion of the work. The report will not contain a rendering, opinion, certificate, or warranty, of the compaction of the materials tested.

Special Inspection and Testing of Reinforced Concrete Construction

This scope of services will include engineering review of concrete mix designs, special inspection of reinforced concrete construction and field sampling and laboratory testing of concrete and reinforcing steel used in concrete construction for the project.

Our materials engineer would review mix designs submitted by the contractor and the results of tests performed on the aggregates. A written report of our review of the concrete mix design submittal will be prepared upon the completion of the work.

We will provide an ICC certified special inspector to perform inspection of the concrete form work, reinforcing steel placement, and concrete placements. He will perform periodic inspection of the formwork for shape, location and dimensions of the concrete member being formed. He will provide periodic inspection to verify the proper size and placement of reinforcing steel and embedded anchors.

Our inspector will provide continuous inspection during the placement of structural concrete to verify proper application techniques. Our inspector will sample fresh concrete and obtain samples for strength testing, perform slump tests and monitor the temperature of the concrete. A set of test cylinders will be made from each 150 cubic yards of concrete or fraction thereof for each class of concrete placed each day. Four test cylinders will be cast for each set.

Strength test cylinders will be cured in our laboratory until they are tested in accordance to ASTM C192. Compression tests would be performed in accordance to ASTM C39 at 7 and 28 days, respectively. Copies of the results of all compression tests will be provided upon completion of the test.

Samples of the reinforcing steel to be used for production of concrete would be tested in accordance to ASTM A370 and A615 test methods. Written reports of all tests presenting applicable information would be prepared at the completion of testing.

Structural Steel Shop and Field Welding

This scope of services will consist of inspection of structural steel shop fabrication and shop and field welding procedures and completed welds for conformance to approved plans, specifications, and building codes.

We will provide an inspector that has been certified by AWS as a special inspector for welding. His work would consist of inspection of all welds made in the shop and / or field for compliance of the approved plans and job specifications. He shall make a systematic record of all welds, including a list of defective welds and a manner of correction of defects. The inspector will check the material, equipment, details of construction and procedures, as well as the welds. He would also check the ability of the welder. He would also check the ability of the welder. Our

inspector will perform periodic inspection during fit up and fabrication of structural steel to verify the materials utilized are properly marked and traceable. He will collect mill certifications for the materials and inspect joint details to verify conformance at each connection.

Non-destructive testing of the completed welds will be performed as required. The inspector may use Ultra Sonic, Magnetic Particle or Dye Penetrants as appropriate to inspect completed welds and assure the adequacy of the welding.

Special Inspection and Testing of Reinforced Masonry Construction

This scope of services will include engineering review of grout mix designs, special inspection of reinforced masonry construction and field sampling and laboratory testing of mortar, grout and masonry used for the project.

Our materials engineer would review mix designs submitted by the contractor and the results of tests performed on the aggregates. A written report of our review of the grout mix design submittal will be prepared upon the completion of the work.

We will provide an ICC certified special inspector to perform inspection of the masonry work, reinforcing steel placement, and grout placements. He will perform periodic inspection of the masonry work for fit up, jointing and the general details of the work being constructed. He will provide periodic inspection to verify the proper size and placement of reinforcing steel and embedded anchors.

Our inspector will provide continuous inspection during the placement of grout and mortar to verify proper application techniques. Our inspector will sample fresh grout and mortar to obtain samples for strength testing.

<>Strength test cylinders will be obtained for grout and mortar. The strength test samples will be cured in our laboratory until they are tested in accordance to ASTM C192. Compression tests would be performed on grout samples in accordance to ASTM C1019, and mortar samples will be tested in accordance with ASTM C780. Samples will be tested at 7 and 28 day ages

Samples of the masonry units delivered to the project will be sampled and tested to verify conformance with the project requirements in accordance with ASTM C90. Core samples of the completed masonry will be obtained and laboratory tests performed to determine compressive and shear strength of the masonry in accordance with ASTMC1314. Written reports of all tests presenting applicable information would be prepared at the completion of testing.

Special Inspection and Testing of Post Installed Anchors

This scope of services will include performing special inspection and testing as required of post installed anchors for compliance with the approved plans, job specifications, ICC-ES reports, and building codes.

We will provide an inspector certified by ICC to perform inspection of the installation of post installed anchors. These inspections typically consist of epoxy dowel, wedge anchor, and hold downs. He shall make a list of defective work and a manner of correction of defects.

This scope of work may also include pull or torque testing of installed anchors as required by the project plans or job specifications. We will provide a technician to perform the required testing on a randomly selected number of anchors based on the frequency of testing specified.

The results of all tests and inspections will be provided to the designated representative in written daily reports of inspection and testing.

Project Administration, Engineering Oversight, and Reporting

This scope of work will include all administrative, project management, engineering oversight, and reporting. This may include, but is not limited to, ensuring we have all necessary documents and information needed to complete the requested work, reviewing plans and specifications, dispatching services, reviewing both lab and daily reports, distribution, and invoicing time.

Terms and Conditions

Fee Proposal

We propose to perform the previously described services on an hourly or test rate basis in accordance with the attached fee schedule. Our estimate of charges for the proposed services is valid for forty-five (45) days and as follows:

Construction Activity		Estimated Costs
Compaction Testing of Trench Backfill and Street Improvements		$34,510.00
Special Inspection and Testing of Reinforced Concrete Construction		$14,960.00
Structural Steel Shop and Field Welding		$18,648.00
Special Inspection and Testing of Reinforced Masonry Construction		$16,680.00
Special Inspection and Testing of Post Installed Anchors		$10,400.00
Project Administration, Engineering Oversight, and Reporting		$11,920.00
	Total	**$107,118.00**

Professional Insurance

We maintain liability and workers' compensation insurance coverage and amounts consistent with industry standards for the services being proposed herein. Certificates of insurance will be provided upon request.

Closure

Our services will be performed in a manner consistent with the level of care and skill ordinarily exercised by members of the same profession currently providing the same or similar services under similar circumstances in the same locality and in accordance with applicable standards in effect at the time the services are performed. This warranty is in lieu of all other warranties, either expressed or implied.

By signing below, you hereby authorize RMA to proceed with services outlined in this proposal and agree that all services and anything arising out of or in any way related to this proposal will be governed by RMA's Fee Schedule and General Conditions which are attached hereto and are incorporated herein by reference. This authorization to proceed constitutes an agreement between you and RMA and is made in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

Thank you for the opportunity to submit this proposal. We look forward to working with you on this project. If you have any questions regarding this proposal, please contact the undersigned.

Authorized By:

City of Ontario

(Signature)

(Title)

(Date)

Respectfully submitted,

Certerra RMA Group

Ken Dowell, PG, CEG
Principal Geologist

Estimate Worksheet
Compaction Testing of Trench Backfill and Street Improvements

Item	Quantity	Unit	Unit Price	Total
Sample / Delivery Driver	8	HR	$120.00	$960.00
Soils Engineering Technician	240	HR	$136.50	$32,760.00
ASTM D1557 Max Density Optimum Moisture	2	EA	$395.00	$790.00
	Subtotal			**$34,510.00**

Estimate Worksheet
Special Inspection and Testing of Reinforced Concrete Construction

Item	Quantity	Unit	Unit Price	Total
Sample / Delivery Driver	24	HR	$120.00	$2,880.00
Technician Material ID	8	HR	$130.00	$1,040.00
Special Inspector Reinforced Concrete	64	HR	$130.00	$8,320.00
ASTM C39 Cast Concrete Cyl 4x8	40	EA	$55.00	$2,200.00
ASTM A370 Rebar Tension up to #8	4	EA	$70.00	$280.00
ASTM A370 Bend Test Rebar up to #8	4	EA	$60.00	$240.00
	Subtotal			**$14,960.00**

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Estimate Worksheet
Structural Steel Shop and Field Welding

Item	Quantity	Unit	Unit Price	Total
AWS Certified Welding Inspector- Field	40	HR	$136.50	$5,460.00
AWS Certified Welding Inspector- Shop	80	HR	$136.50	$10,920.00
NDT ASNT Level II Field	16	HR	$141.75	$2,268.00
	Subtotal			**$18,648.00**

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Estimate Worksheet
Special Inspection and Testing of Reinforced Masonry Construction

Item	Quantity	Unit	Unit Price	Total
Special Inspector Masonry	80	HR	$130.00	$10,400.00
ASTM C780 Mortar Cylinder Compression	24	EA	$50.00	$1,200.00
ASTM C1019 Grout Prism Compression	40	EA	$55.00	$2,200.00
Sample / Delivery Driver	24	HR	$120.00	$2,880.00
	Subtotal			**$16,680.00**

Estimate Worksheet
Special Inspection and Testing of Post Installed Anchors

Item	Quantity	Unit	Unit Price	Total
Special Inspector Post Installed Anchors	40	HR	$130.00	$5,200.00
Pull | Torque Testing Technician	40	HR	$130.00	$5,200.00
	Subtotal			**$10,400.00**

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Estimate Worksheet
Project Administration, Engineering Oversight, and Reporting

Item	Quantity	Unit	Unit Price	Total
Project Manager - Office	16	HR	$200.00	$3,200.00
Project Engineer - Office	16	HR	$220.00	$3,520.00
Project Geologist - Office	8	HR	$200.00	$1,600.00
Administrative	40	HR	$90.00	$3,600.00
	Subtotal			**$11,920.00**

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Fee Schedule

Personnel Charges - Professional Staff

Product Name	Units	Rate ($)
Project Engineer - Laboratory	HR	$220.00
Administrative	HR	$90.00
Principal Engineer - Office	HR	$250.00
Principal Engineer - Field	HR	$250.00
Principal Engineer - Consultation	HR	$250.00
Principal Engineer - Job Conference	HR	$250.00
Principal Engineer - Expert Witness	HR	$600.00
Principal Engineer - Court Appearance	HR	$800.00
Project Engineer - Office	HR	$220.00
Project Engineer - Field	HR	$220.00
Project Engineer - Consultation	HR	$220.00
Project Engineer - Job Conference	HR	$220.00
Staff Engineer - Office	HR	$180.00
Staff Engineer - Field	HR	$180.00
Drafting	HR	$130.00
Drafting / CADD/GIS Specialist I	HR	$130.00
Project Manager - Office	HR	$200.00
Project Manager - Field	HR	$200.00
Project Manager - Job Conference	HR	$200.00
Principal Geologist - Office	HR	$230.00
Principal Geologist - Field	HR	$230.00
Principal Geologist - Consultation	HR	$230.00
Principal Geologist - Job Conference	HR	$230.00
Principal Geologist - Expert Witness	HR	$500.00
Principal Geologist - Court Appearance	HR	$700.00
Project Geologist - Office	HR	$200.00
Project Geologist - Field	HR	$200.00
Project Geologist - Consultation	HR	$200.00
Project Geologist - Job Conference	HR	$200.00
Qualified SWPPP Developer QSD	HR	$200.00
Staff Geologist - Office	HR	$170.00
Staff Geologist - Field	HR	$170.00
Qualified SWPPP Practitioner QSP	HR	$180.00

Personnel Charges - Field Staff

Product Name	Units	Rate ($)
Soils Engineering Technician	HR	$136.50
Soils Technician Compaction Testing	HR	$130.00
Soils Technician Rough Grading	HR	$130.00
Soils Technician Retesting	HR	$130.00
Public Works Inspector	HR	$130.00
Public Works Technician	HR	$130.00
Public Works Inspector - Asphalt Paving	HR	$130.00
Public Works Inspector - Asphalt Plant	HR	$130.00
Public Works Inspector - Concrete Paving	HR	$130.00
Public Works Inspector - Concrete Plant	HR	$130.00
Public Works Technician - Asphalt	HR	$130.00
Public Works Technician - Concrete	HR	$130.00
Laboratory Technician - Field Lab	HR	$120.00
Building Inspector	HR	$140.00

Special Inspector (ICC)	HR	$130.00
Mechanical Inspector	HR	$232.50
Special Inspector Reinforced Concrete	HR	$130.00
Special Inspector Prestressed Concrete	HR	$130.00
SI Concrete Batch Plant	HR	$130.00
ACI Concrete Technician	HR	$130.00
Sample / Delivery Driver	HR	$120.00
Technician Material ID	HR	$130.00
Special Inspector Fire Proofing	HR	$130.00
Special Inspector Post Installed Anchors	HR	$130.00
Special Inspector Roofing/Waterproofing	HR	$130.00
Special Inspector Masonry	HR	$130.00
Special Inspector Masonry (DSA)	HR	$130.00
Special Inspector Shotcrete	HR	$130.00
Special Inspector PT Concrete	HR	$130.00
Special Inspector Fire Stopping	HR	$145.00
AWS Certified Welding Inspector- Field	HR	$136.50
AWS Certified Welding Inspector- Shop	HR	$136.50
Special Inspector Structural Steel	HR	$130.00
Special Inspector High Strength Bolting	HR	$130.00
Special Inspector Wood Construction	HR	$130.00
NDT ASNT Level II Field	HR	$141.75
NDT ASNT Level III Field	HR	$250.00
NACE Coating Inspector Level 2	HR	$145.00
Special Inspector Fiber Wrap	HR	$130.00
Radiographic Testing Crew	HR	$500.00
Pull | Torque Testing Technician	HR	$130.00
Project Inspector (IOR)	HR	$145.00
Lead Coring Technician	HR	$135.00
Assistant Coring Technician	HR	$135.00
Horizontal Wall Coring	HR	$135.00
Lead Utility Location Technician	HR	$150.00
Lead Concrete Scanning Technician	HR	$150.00
Supervising Soil Technician	HR	$200.00
Supervising Public Works Inspector	HR	$200.00
Supervising Special Inspector	HR	$200.00
Quality Control Manager	HR	$225.00

Laboratory Tests - Steel

Product Name	Units	Rate ($)
ASTM E605 Spray Applied Fireproofing Den	EA	$135.00
ASTM A370 Rebar Tension up to #8	EA	$70.00
ASTM A370 Rebar Tension #9 to #11	EA	$85.00
ASTM A370 Rebar Tension #14	EA	$125.00
ASTM A370 Rebar Tension #18	EA	$180.00
ASTM A370 Bend Test Rebar up to #8	EA	$60.00
ASTM A370 Bend Test Rebar #9 to #11	EA	$70.00
ASTM A370 Bend Test Rebar #14	EA	$125.00
ASTM A370 Bend Test Rebar # 18	EA	$180.00
ASTM A370 Headed Bar Prod. Lot up to #8	LOT	$275.00
ASTM A370 Headed Bar Prod. Lot #9 to #11	LOT	$335.00
ASTM A370 Headed Bar Prod. Lot #14	LOT	$515.00
ASTM A370 Headed Bar Prod. Lot #18	LOT	$670.00
ASTM A416 Stress-Strain Analysis	EA	$250.00

ASTM A416 Tensile Test Only	EA	$175.00
ASTM A370 Tensile Up to 100K lbs (Each)	EA	$85.00
ASTM A370 Tensile Up to 200K lbs (Each)	EA	$100.00
ASTM A370 Tensile Up to 300K lbs (Each)	EA	$120.00
ASTM A370 Tensile Up to 400K lbs (Each)	EA	$180.00
ASTM A370 Tensile 400K - 500K lbs (Each)	EA	$365.00
ASTM A370 Tensile Stress-Strain Percent	EA	$205.00
AWS Weld: Macroetch	EA	$120.00
AWS Weld: Fracture	EA	$95.00
AWS Bend Test	EA	$85.00
ASTM A370 Rockwell Hardness (Each)	EA	$120.00
Steel Chemical Analysis	EA	$255.00
ASTM F606 Bolt Axial Tensile to 7/8”	EA	$70.00
ASTM F606 Bolt Wedge Tensile to 7/8”	EA	$100.00
ASTM F606 Bolt: Axial 7/8” - 1 1/2”	EA	$105.00
ASTM F606 Bolt Wedge Tens 7/8” to 1 1/2"	EA	$120.00
ASTM F606 Bolt: Proof Load up to 7/8"	EA	$110.00
ASTM F606 Bolt: Proof Load up to 1 1/2"	EA	$135.00
ASTM F606 Nut: Proof Load up to 7/8"	EA	$75.00
ASTM F606 Nut: Proof Load up to 1 1/2"	EA	$120.00

Laboratory Tests - Soil

Product Name	Units	Rate ($)
ASTM D4318 Plasticity Index of Soils	EA	$335.00
ASTM D1883 California Bearing Ratio	EA	$750.00
ASTM D2435 Consolidation	EA	$295.00
ASTM D2435 Consolidation with Time Rate	EA	$355.00
ASTM D3080 Direct Shear, Consol&Drained	EA	$285.00
ASTM D4829 Expansion Index of Soils	EA	$270.00
ASTM D2166 Unconfined Comp Strength	EA	$335.00
ASTM D5333 Hydro Collapse Potential	EA	$260.00
ASTM D2050 Tri-Axial Shear Strength	EA	$550.00
ASTM D2937 In-Place Density, Drive Cyl	EA	$75.00
ASTM D2216 Soil Moisture Content by Mass	EA	$55.00
ASTM D698 Maximum Density Std Effort	EA	$350.00
ASTM D1557 Max Density Optimum Moisture	EA	$395.00
ASTM D2974 Moisture, Ash, Organic Matter	EA	$120.00
ASTM D4972 pH of Soils	EA	$125.00
ASTM D2844 R-Value & Expansive Pressures	EA	$480.00
ASTM D2434 Const Head Permeability Test	EA	$470.00
ASTM D422 Sieve Analysis of Soil	EA	$260.00
ASTM D1140 Materials Finer than #200	EA	$160.00
ASTM D422 Hydrometer Anaylsis	EA	$395.00
ASTM D854 Specific Gravity of Soils	EA	$295.00
ASTM D4546 Swell Potential	EA	$260.00
ASTM D4943 Shrinkage Factor by Resin	EA	$290.00
ASTM D559 Soil Cement Sample Preparation	EA	$160.00
ASTM D558 Soil-Cement Maximum Density	EA	$395.00
ASTM D1633 Compression Test Soil Cement	EA	$130.00
AASHTO T100 Specific Gravity of Soils	EA	$295.00

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Laboratory Tests - Masonry

Product Name	Units	Rate ($)
ASTM C140 Block Compressive Strength	SET	$100.00
ASTM C140 Block Moisture & Absorption	SET	$110.00
ASTM C426 Block Linear Shrinkage	SET	$375.00
ASTM C140 Block Unit Wt & Dimensions	SET	$265.00
ASTM C90 Masonry Block Conformance	SET	$740.00
ASTM C67 Brick Compressive Strength	SET	$125.00
ASTM C67 Brick Moisture & Absorption	SET	$110.00
ASTM C67 Brick 5 Hour Boil	EA	$135.00
ASTM C67 Brick Modulus of Rupture	EA	$135.00
ASTM C780 Mortar Cylinder Compression	EA	$50.00
ASTM C1019 Grout Prism Compression	EA	$55.00
ASTM C1314 Masonry Core Comp Str 8" Max	EA	$120.00
ASTM C1314 Masonry Core Shear Str 8" Max	EA	$130.00
ASTM E519 Assemblage Comp Str 8" Block	EA	$155.00
ASTM E519 Assemblage Comp Str 12" Block	EA	$140.00
ASTM E519 Assemblage Comp Str 16" Block	EA	$175.00
ASTM C109 Compressive Strength 2" Cube	EA	$75.00

Laboratory Tests - Concrete

Product Name	Units	Rate ($)
ASTM C39 Cast Concrete Cyl 4x8	EA	$55.00
ASTM C42 Compressive Strength, Core	EA	$120.00
ASTM C39 Cyl Tested out of Sequence	EA	$80.00
ASTM C495 Lightweight Concrete Strength	EA	$75.00
ASTM C78 Flexural Strength, Beam	EA	$135.00
ASTM C1140 Shotcrete Panel Test	SET	$450.00
ASTM C138 Unit Weight of Concrete	EA	$90.00
ASTM C649 Concrete Modulus of Elasticity	EA	$275.00
ASTM C157 Concrete Shrinkage (Set of 3)	SET	$650.00
ASTM C496 Splitting Tensile Test	EA	$125.00
ASTM C495 Density - Lightweight Concrete	EA	$240.00
AASHTO T336 Coefficient Therm Expansion	EA	$750.00

Laboratory Tests - Caltrans

Product Name	Units	Rate ($)
CT202 Sieve Analysis, Combined Agg	EA	$275.00
CT202 Sieve Analysis, Fine Agg	EA	$210.00
CT202 Sieve Analysis, Coarse Agg	EA	$195.00
CT235 Flat and Elongated Particles	EA	$400.00
CT205 Percentage Crushed Particles	EA	$275.00
CT206 Specific Gravity, Coarse Aggregate	EA	$195.00
CT207 Specific Gravity, Fine Aggregate	EA	$295.00
CT208 Apparent Specific Gravity of Fines	EA	$295.00
CT229 Durability Index	EA	$455.00
CT234 Angularity & Voids, Fine Agg	EA	$295.00
CT211 Abrasion, Los Angeles Rattler	EA	$375.00
CT227 Cleanness Value	EA	$420.00
CT213 Organic Impurities in Sand	EA	$155.00
CT214 Soundness by Sodium Sulfate	EA	$650.00
CT226 Moisture Content by Oven Drying	EA	$75.00
CT217 Sand Equivalent	EA	$190.00

CT308(A) Core Density Paraffin Coated	EA	$85.00
CT308(C) Core Density SSD	EA	$75.00
CT303 Approximate Bitumen Ratio	EA	$335.00
CT304/308(A) LTMD Kneading Compactor	EA	$480.00
CT305 Swell of Bituminous Mixtures	EA	$550.00
CT366 Stabilometer Value	EA	$395.00
CT308(A)/366 Stability and Density	EA	$490.00
CT308(C)/366 Stability and Density	EA	$470.00
CT309 Maximum Theoretical Density	EA	$350.00
CT370 Moisture Content by Microwave	EA	$110.00
CT379 Asphalt Content Nuclear Gauge	EA	$275.00
CT382 Ignition Oven Correction Factor	EA	$650.00
CT382 Asphalt Content by Ignition	EA	$295.00
CT371 Tensile Strength Ratio	EA	$1,470.00
CT302 Film Stripping	EA	$335.00
CT521 Concrete Cyl Compressive Strength	EA	$55.00
CT523 Concrete Flexural Strength, Beam	EA	$135.00
CT531 Length of Drilled Concrete Cores	EA	$75.00
CT550 Surface Abrasion of Concrete	EA	$535.00
CT534 Water Retention, Liq Curing Cmpnd	EA	$570.00
CT521 Compressive Strength LCB	EA	$50.00
CT524 RSC Flexural Strength, Beam	EA	$135.00
CT515 Relative Mortar Strength, PCC Sand	EA	$900.00
CT670 Tensile Strength up to #8	EA	$95.00
CT670 Tensile Strength #8 - #11	EA	$120.00
CT670 Tensile Strength #14	EA	$180.00
CT670 Tensile Strength #18	EA	$255.00
CT670 Steel Splice Slip Test	EA	$275.00
CT670 Operator Qualification up to #8	LOT	$550.00
CT670 Operator Qualification #9 - #11	LOT	$655.00
CT670 Operator Qualification #14	LOT	$950.00
CT670 Operator Qualification #18	LOT	$1,235.00
CT670 Operator Qualification #18	EA	$1,235.00
CT670 Production Lot up to #8 (Service)	LOT	$355.00
CT670 Production Lot #9 to #11 (Service)	LOT	$475.00
CT670 Production Lot #14 (Service)	LOT	$635.00
CT670 Production Lot #18 (Service)	LOT	$825.00
CT670 Production Lot up to #8 (Ultimate)	LOT	$455.00
CT670 Production Lot #9 to #11(Ultimate)	LOT	$490.00
CT670 Production Lot #14 (Ultimate)	LOT	$790.00
CT670 Production Lot #18 (Ultimate)	LOT	$1,350.00
CT204 Plasticity Index, Atterberg	EA	$355.00
CT209 Specific Gravity of Soil	EA	$295.00
CT216 CA Impact Max Density	EA	$325.00
CT216 CA Impact, Rock Correction	EA	$95.00
CT301 Resistance R-Value Stabilometer	EA	$475.00
CT417 Soluble Sulfates	EA	$155.00
CT422 Chloride Content	EA	$135.00
CT643 Resistivity and pH	EA	$155.00

Laboratory Tests - Asphalt

Product Name	Units	Rate ($)
ASTM D2726 Core Density (SSD)	EA	$75.00
ASTM D1188 Core Density Parafilm Coated	EA	$85.00

ASTM D6926 Lab Max Density Marshall	EA	$395.00
ASTM D6927 Marshal Stability and Flow	EA	$480.00
ASTM D1561 LTMD Kneading Compactor	EA	$395.00
ASTM D1560 Hveem Stability and Density	EA	$490.00
ASTM D1560 Hveem Stability	EA	$375.00
ASTM D2041 Maximum Theoretical Density	EA	$350.00
ASTM D6307 Ignition Oven Calibration	EA	$650.00
ASTM D6307 Asphalt Content by Ignition	EA	$295.00
ASTM D2172 Asphalt Content by Solvents	EA	$475.00
ASTM D4125 Asphalt Content Nuclear Gauge	EA	$335.00
ASTM D5444 Gradation of Extracted Agg	EA	$335.00
ASTM D244 Emulsion Residue Evaporation	EA	$280.00
ASTM D244 Emulsion Sieve Analysis	EA	$185.00
ASTM D3910 Wet Track Abrasion	EA	$350.00
AASHTO T324 Hamburg Wheel Tracking Test	EA	$1,100.00
AASHTO T283 Tensile Strength Ratio	EA	$1,200.00
AASHTO T275 Core Denisty Paraffin Coated	EA	$85.00
AASHTO T312/T275 LTMD Gyratory Compactor	EA	$480.00
AASHTO T308 Asphalt Content by Ignition	EA	$285.00
AASHTO T209 Theoretical Maximum Density	EA	$350.00
AASHTO T308A AC Correction Factor	EA	$550.00
AASHTO T324 Hamburg Wheel Tracking RHMA	EA	$1,100.00
AASHTO T283 Tensile Strength Ratio RHMA	EA	$1,200.00
AASHTO T312/T275 LTMD Gyratory Comp RHMA	EA	$480.00

Laboratory Tests - Aggregates

Product Name	Units	Rate ($)
ASTM C131 Abrasion, Los Angeles Rattler	EA	$375.00
ASTM C40 Organic Impurities in Fine Agg	EA	$135.00
ASTM C127 Specific Gravity, Coarse Agg	EA	$255.00
ASTM C128 Specific Gravity, Fine Agg	EA	$290.00
ASTM C1252 Angularity & Voids, Fine Agg	EA	$280.00
ASTM C566 Moisture Content by Drying	EA	$35.00
ASTM C117 Materials Finer than No. 200	EA	$160.00
ASTM D2419 Sand Equivalent	EA	$190.00
ASTM C289 Alkali-Silica Reactivity	EA	$950.00
ASTM D4791 Flat & Elongated Particles	EA	$395.00
ASTM D5821 Percent Fractured Particles	EA	$275.00
ASTM C123 Percent Lightweight Particles	EA	$295.00
ASTM C88 Soundness by Sodium Sulfate	EA	$695.00
ASTM C136 Sieve Analysis, Combined Agg	EA	$290.00
ASTM C136 Sieve Analysis, Fine Agg	EA	$265.00
ASTM C136 Sieve Analysis, Coarse Agg	EA	$255.00
ASTM C142 Clay Lumps & Friable Particles	EA	$260.00
ASTM C535, Abrasion Large Aggregate	EA	$465.00
AASHTO T304 Angularity & Voids in Fines	EA	$255.00
AASHTO T84 Specific Gravity, Fine Agg	EA	$280.00
AASHTO T85 Specific Gravity, Coarse Agg	EA	$255.00
AASHTO T96 Abrasion, Los Angeles Rattler	EA	$375.00
AASHTO T27 Sieve Analysis, Combined Agg	EA	$290.00
AASHTO T27 Sieve Analysis, Fine Agg	EA	$285.00
AASHTO T27 Sieve Analysis, Coarse Agg	EA	$255.00
AASHTO T176 Sand Equivalent	EA	$190.00
AASHTO T335 Percent Fractured Particles	EA	$285.00

Equipment Charges

Product Name	Units	Rate ($)
Portable Drilling Equipment	HR	$750.00
Proof Load Testing Equipment	DAY	$180.00
Drilling Equip Mobilization / De-Mob	EA	$800.00
Mini Environmental Quality Meter	DAY	$400.00
Inertial Profiler	DAY	$2,000.00
VOC Meter	DAY	$200.00
Dutch Cone Penetrometer with Operator	HR	$875.00
Hollow Stem Auger Drill Rig w/ Operator	HR	$775.00
Portable Drilling Equipment w/ Operator	HR	$750.00
Bucket Auger Drill Rig with Operator	HR	$875.00
Air Rotary Drill Rig with Operator	HR	$900.00
Rotary Wash Drill Rig with Operator	HR	$950.00
Per Diem	DAY	$150.00
Mobile Laboratory Trailer Mobilization	EA	$2,500.00
Mobile Lab Trailer & Testing Equipment	DAY	$700.00
Stationary Lab Trailer & Test Equipment	MO	$1,500.00
Diamond Bit Core Rig and Generator	DAY	$850.00
Nuclear Density Test Gauge	Unit	$50.00
Hand Held Turbidity Meter	DAY	$75.00
Ultrasonic Test Unit and Consumables	DAY	$100.00
Magnetic Particle Test Unit	DAY	$100.00
Skidmore	DAY	$80.00
Schmidt Hammer	DAY	$100.00
Holiday Tester	DAY	$250.00
Floor Flatness Testing	DAY	$2,900.00
Torque Wrench	DAY	$100.00

General Charges

RMA requires twenty-four (24) hour prior notification for scheduling inspectors and/or technicians.

Inspection charges start at the scheduled show up time at the job site. All inspection hours will be billed in the following increments:

There will be a minimum two (2) hour charge for any RMA Group employee presence on site.

Any time less than four (4) hours of work will be billed as four (4) hours.

Four (4) to eight (8) hours will be billed as eight (8) hours.

When personnel are required to work in excess of 5 hours without an uninterrupted meal period of 30 minutes, due to project constraints, ½ hour will be charged at double time rates in addition to any applicable hours worked.

Rates are valid through June 30, 2026. Rates for personnel will increase by 3% per year on July 1st of each subsequent year.

Certified Payroll Reports will be prepared upon request. There will be a $75.00 charge for each certified payroll report.

Outside services will be billed at cost plus 15% unless billed directly to and paid for by Client.

Requests made by client for management attendance at meetings at the project site will be charged at standard rate.Administrative/clerical support will be charged at 0% of the monthly direct charges.

Overtime Charges

Work performed in excess of 8 hours per day and / or up to eight (8) hours on Saturdays will be billed at 1.50 times the unit rate.

Work performed on Sunday, recognized holidays, or in excess of eight (8) hours on Saturdays will be billed at 2.00 times the unit rate.

A 20% surcharge will be applied for laboratory tests performed on a Saturday or Sunday.

Per Diem Travel Charges

An $150.00 charge per day will be applied when our personnel are required to stay overnight at remote locations.

Time will be billed at the unit rate while traveling to a remote location or if a location requires an overnight stay

Mileage for travel outside a 50 mile radius from either the project site or the nearest RMA facility whichever is closest, will be charged at a rate of $0.60 per mile.

Night Work

A $5.00 per hour surcharge will be added to all personnel rates for work performed during night shifts.

CERTERRA
RMA GROUP

GENERAL CONDITIONS

AGREEMENT. This agreement is made by and between Certerra RMA Group ("RMA") and the party that accepted RMA's proposal or requested that RMA perform Services ("Client"). RMA shall mean the aforementioned entity, any of its affiliates or subsidiaries to the extent same are performing any of the Services under this Agreement, and their respective engineers and employees. This "Agreement" includes RMA's proposal and any exhibits or attachments noted in the proposal or incorporated by reference including but not limited to these General Conditions. Requesting Services from RMA shall constitute acceptance of the terms of these General Conditions.

1. SCOPE OF SERVICES. Services means the service(s) performed by RMA for Client or at Client's direction. RMA's findings, opinions, and recommendations are based upon data and information obtained by and furnished to RMA at the time of the Services. RMA may rely upon information provided by the Client or third parties. Client may request additional work or changes beyond the scope of Services described in RMA's Proposal. If any alteration or addition of Services are requested by the Client ("Additional Services"), RMA may provide a proposal detailing the additional scope of work, time extension and associated fees for Client's review. Client shall provide written acceptance of such. RMA shall not be obligated to perform the Additional Services, if Client does not follow these procedures, but instead directs, authorizes, or permits RMA to perform the Additional Services without written acceptance. To the extent RMA does perform the Additional Services without written acceptance, RMA will be paid for this work according to its proposal for same or current fee schedule.

2. DELAYS. RMA shall be entitled to an equitable adjustment to the project schedule and compensation to compensate RMA for any increase in time or costs necessary to perform the Services under this Agreement due to any cause beyond RMA's reasonable control. All promises related to the time of the Services are approximations by RMA and are subject to the Client and contractor's schedules, weather conditions, travel conditions, disputes with workmen or parties, accidents, strikes, natural disasters, health emergencies, discovery of hazardous materials, differing or unforeseeable site conditions or project conditions, acts of governmental agencies or authorities, or other causes. In no event shall RMA be responsible for any damage or expense due to delays from any cause, other than to the extent the damage or expense is directly caused by RMA's own proven negligence after having been warned in writing by the Client of the damage or expense which may result from the delay.

3. RMA RESPONSIBILITIES. Services performed by RMA under this Agreement will be conducted in a manner consistent with the level of care and skill ordinarily exercised by members of the same profession currently providing the same or similar services under similar circumstances in the same locality and in accordance with applicable standards in effect at the time the Services are performed. RMA MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Testing or inspection Services may require the destruction of a sample or sample location. Client understands that, in the normal course of performing the Services, some damage may occur, and understands that RMA is not responsible for the correction of any such damage or for replacing samples. Client acknowledges that opinions, data, interpretations and recommendations prepared by RMA are based on limited data and recognizes that subsurface conditions or other actual conditions may vary from those encountered at the location where inspections, tests, borings, surveys, or explorations are made by RMA and may vary from those depicted on logs of discrete borings, test pits, or other exploratory Services or from information provided to RMA by Client. There is an inherent risk that samples or observations may not be representative of materials or locations not sampled or seen and that conditions may change over time. Variations between inspected or tested discrete locations may occur and the risk of such occurrence is understood and accepted by Client. Client is responsible for notifying the appropriate party or professional regarding the correction of any deviations or deficiencies noted by RMA and RMA accepts no liability in connection therewith. RMA shall not be responsible for the interpretation by others of information developed by RMA and makes no guarantee that RMA's recommendations are properly implemented by any party. RMA shall not be held liable for problems that may occur if RMA's recommendations are not followed. To the fullest extent permitted by law, Client shall indemnify and hold harmless the Indemnitees (as defined below) from any and all Losses (as defined below) arising from or related to interpretations made by others.

4. SUBSURFACE EXPLORATIONS. Client understands RMA's layout of boring and test locations is approximate and that RMA may deviate a reasonable distance from those locations. Client acknowledges that it is impossible for RMA to know the exact composition of a site's subsurface, even after conducting a comprehensive exploratory program. There is a risk that drilling and sampling may result in contamination of certain subsurface areas. To the fullest extent permitted by law, Client waives any claim against, and agrees to defend, indemnify and save the Indemnitees harmless from any Losses which may arise as a result of subsurface contamination caused by drilling, sampling, or monitoring well installation. Client also agrees to adequately compensate RMA for any time spent and expenses incurred in defense of any such claim.

5. CLIENT PARTICIPATION. Client will make available to RMA all information in its possession regarding existing and proposed conditions at the site, of which RMA may rely on to perform its Services. Such information shall include, but not be limited to engineering reports, plot plans, topographic surveys, hydrographic data, soil data including borings, field and laboratory tests and written reports. Client shall immediately transmit to RMA any new information concerning site condition which becomes available, and any change in plans or specifications concerning the project. RMA shall not be liable for any inaccurate or incorrect advice, judgment or decision which is based on any inaccurate information furnished by Client and Client, to the fullest extent permitted by law, shall indemnify the Indemnitees against any and all Losses arising out of, or contributed to, by such inaccurate information. In the event Client, the project owner, or other party makes any changes in the plans and specifications, Client agrees, to the fullest extent permitted by law, to indemnify and hold the Indemnitees harmless from any and all Losses arising out of such changes, and Client assumes full responsibility unless Client has given RMA prior notice and has received RMA's written consent for such changes. RMA does not assume responsibility for any conditions at the Client's site(s) that may present a danger, either potential or real, to health, safety, or the environment. Client hereby agrees that it is the Client's responsibility to notify any and all appropriate federal, state, or local authorities, as required by law, of the existence of any such potential or real danger and otherwise to disclose to all appropriate or affected individuals or entities, in a timely manner, any information that may be necessary to prevent any danger to health, safety, or the environment. Client assumes sole responsibility for determining whether the quantity and the nature of Services ordered by Client is adequate and sufficient for Client's intended purpose.

6. THIRD PARTIES. To the fullest extent permitted by law and to the extent not resulting from RMA's proven negligence, Client agrees to defend, indemnify, and hold harmless RMA and all of its agents, affiliates, subsidiaries, officers, directors, representatives, and employees and their successors (collectively the "Indemnitees") from any and all claims, losses, causes of action, demands, suits, losses, charges, liability, expenses, costs, defense costs, disbursements (including attorney fees and costs at trial and appeal), and/or allegations of responsibility ("Losses") by any and all third parties including but not limited to, contractors, subcontractors, agents, employees (including without limitation Client's employees), assignees transferees, successors, invitees, neighbors, and the public relating in any way to this Agreement, the Services, or the project. It is expressly understood and agreed that the enforcement of these terms and conditions shall be reserved to the Client and RMA. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any third person. It is the express intent of the Client and RMA that any such person or entity, other than Client or RMA, receiving services or benefits under this Agreement shall be deemed an incidental beneficiary. Neither party may assign this Agreement or any right or obligation hereunder without the prior written consent of the other party, which shall not be unreasonably withheld or delayed; provided, however, that no consent shall be necessary in the event of an assignment to a successor entity resulting from a merger, acquisition or consolidation by or of RMA or an assignment to an affiliate or subsidiary of RMA.

7. SAMPLE DISPOSAL. Samples are consumed in testing or disposed of upon completion of tests or upon report completion (unless stated otherwise in the Services). Client acknowledges that contaminated drill cuttings, sample spoils, wash water, and other materials may be produced as a result of encountering hazardous materials at the site. In such event, Client shall be responsible for their proper transportation and disposal. RMA may be able to arrange for the transportation and disposal of hazardous materials at Client's request. In no event shall RMA be required to sign a hazardous waste manifest or take title to any hazardous materials. Contaminated samples delivered to or taken to RMA's laboratory for testing shall remain the property of Client and Client is responsible for ultimate disposal of any samples which are found to be contaminated. On request, Client shall retrieve contaminated samples from RMA's laboratory and dispose of them in an approved manner.

8. DISCOVERY OF UNANTICIPATED HAZARDOUS MATERIALS. Client shall furnish to RMA all documents and information known or available to Client that relate to the identity, location, quantity, nature, or characteristic of any hazardous waste, toxic, radioactive, or contaminated materials prior to commencement of the Services. Client warrants that it has made reasonable efforts to disclose known or suspected hazardous materials on or near the project site. Client agrees that the discovery of such unanticipated hazardous materials constitutes a changed condition which may require either a re-negotiation of the scope of RMA's Services, time for completion, and compensation or termination of such Services or this Agreement. Client recognizes that the discovery of hazardous materials may necessitate immediate protective measures to safeguard the public health and safety and agrees to compensate RMA for measures that in RMA's professional opinion are justified to preserve and protect the health and safety of site personnel and the public. Client agrees to compensate RMA for any equipment decontamination or other costs incident to the discovery of unanticipated hazardous materials. Client agrees that in the event of the discovery of hazardous materials at the site it will report such discovery to the proper authorities as required by federal, state, and local regulations. Client also agrees to inform the project site owner in the event that hazardous materials are encountered at the site. Notwithstanding any other provision of the agreement, to the fullest extent permitted by law, Client waives any claim against RMA and agrees to defend, indemnify, and save the Indemnitees harmless from any and all Losses arising from the presence of hazardous materials on the project site.

9. SITE CONDITIONS. Client shall secure all necessary approvals, notices, permits, licenses, and consents from all owners, lessees, contractors, and other possessors of the project, necessary to commence and complete the Services, and will provide RMA access to the project site for all equipment and personnel necessary for the performance of the Services. RMA shall be allowed free access to the site. Client understands and agrees that RMA shall only be responsible for losses which directly result from RMA's negligence. Client is responsible for the accuracy of locations for all subterranean structures and utilities. To the fullest extent permitted by law, Client waives any claim against RMA, and agrees to defend, indemnify, and hold the Indemnitees harmless from any and all Losses arising from damage done to subterranean structures and utilities not identified or accurately located. In addition, Client agrees to compensate RMA for any time spent or expenses incurred by RMA in defense of any such claim.

10. ENVIRONMENTAL LIABILITY. Neither this Agreement nor the providing of Services will operate to make RMA an owner, operator, generator, transporter, treater, storer, or arranger for disposal or treatment within the meaning of the Resource Conservation Recovery Act, Comprehensive Environmental Response Compensation and Liability Act, or within the meaning of any other law governing the handling, treatment, storage, or disposal of hazardous materials. To the fullest extent permitted by law, Client will indemnify, defend and hold the Indemnitees harmless from and against any and all Losses arising or claimed to arise from violations by Client of any and all environmental laws, rules and regulations relating to the existence, generation , current or future ownership, storage, transport or disposal of pre-existing hazardous substances and wastes, but this indemnity shall not cover such loss, damage, cost or expense to the extent caused by RMA's proven negligence in performing the Services under this Agreement. For purposes of this Agreement, a pre-existing hazardous substance is any hazardous substance or hazardous waste having been generated by Client or existing on Client's premises prior to the date of this Agreement.

11. OWNERSHIP AND LEGAL USE OF DOCUMENTS. All notes, data, reports, original final reproducible drawings, plans, specifications, calculations, and studies memoranda assembled or prepared by RMA are instruments of service with respect to the subject project, and RMA shall retain an ownership and property interest therein, whether or not the project is completed. The Client may make and retain copies for information and reference in connection with the subject project; however, such documents are not intended or represented to be suitable for re-use by the Client or others. Any modification, changes, or reuse without written verification or adaptation by RMA for the specific purpose intended will be at the Client's sole risk and without liability or legal exposure to RMA, and the Client, to the fullest extent permitted by law, agrees to indemnify and hold harmless the Indemnitees against any and all Losses whatsoever arising out of or resulting therefrom.

12. ALLOCATION OF RISK AND LIMITATION OF LIABILITY. The parties have evaluated the respective risks and remedies under this Agreement and agree to allocate the risks and restrict the remedies to reflect that evaluation. Notwithstanding any other provision to the contrary in this Agreement and to the fullest extent permitted by law, Client agrees to restrict its remedies under this Agreement against RMA, its parents, affiliates and subsidiaries ("RMA Covered Parties"), so that the total aggregate liability of RMA Covered Parties shall not exceed $50,000 or the actual paid compensation for the Services performed by RMA under this Agreement, whichever is greater. This

restriction of remedies shall apply to any and all Losses of any nature arising from or related to this Agreement without regard to the legal theory under which such liability is imposed. Claims must be brought within one calendar year from performance of the Services.

13. LIABILITY FOR OTHERS. RMA shall not be responsible for supervising, overseeing, or controlling the Client's contractors or for their means and methods, procedures, performance, or site safety. RMA shall not be responsible for the acts or omissions of the Client, owner, architect, architect's other consultants, contractor, subcontractors, other third parties or their respective agents, employees, assigns, successors, or any other persons ("Others"). RMA shall have no authority to control Others regarding their work or their safety practices. RMA does not control or guarantee the work of Others. RMA has no duty to inspect or correct health and safety deficiencies of Others. RMA will not be responsible for the failure of Others to perform in accordance with their undertakings and the providing of RMA's Services shall not relieve Others of their responsibilities to the Client or Others. RMA reserves the right to report to the Client any unsafe conditions observed at the project without altering the foregoing.

14. CONSEQUENTIAL DAMAGES WAIVER. Notwithstanding anything to the contrary in this agreement and to the fullest extent permitted by law, Client and RMA waive against each other any and all claims for or entitlement to special, incidental, indirect, consequential, delay, punitive, or similar losses or damages arising out of, resulting from, or in any way related to the project or this Agreement.

15. INSURANCE. RMA will maintain the following insurance coverages and amounts: (1) Workers Compensation insurance as required by law, (2) Employer's Liability insurance with coverage of $1,000,000 per each accident/employee, (3) Commercial General Liability insurance with coverage of $1,000,000 per occurrence/aggregate, (4) Automobile Liability insurance with coverage of $1,000,000 combined single limit, and (5) If RMA is providing professional services, Professional Liability insurance with coverage of $1,000,000 per claim/aggregate. Client shall name RMA as additional insured on its Builder's Risk policy. Client shall require any general contractors working on the project site to include RMA in any indemnity that the Client requires such contractors to provide to the Client and as an additional insured under any such contractor's general liability insurance policy. Client shall provide RMA with a certificate of insurance evidencing the required insurance.

16. RESOLUTION OF DISPUTES. Client shall not be entitled to assert a Claim against RMA based on any theory of professional negligence unless and until Client has obtained the written opinion from an independent and reputable Professional Engineer (P.E.), licensed architect (A.I.A.), or Registered Geologist (R.G.) that RMA has violated the standard of care applicable to RMA's performance of the Services. Such party shall be currently practicing in the same discipline as RMA and be licensed in the state where the project is located. This written opinion shall specify the acts or omissions that the independent engineer, architect, or geologist contends are not in conformance with the standard of care for professional services performed by local consultants under similar circumstances; and state in detail the basis for their independent opinion that such acts or omissions do not conform to that standard of care. Client shall provide this opinion to RMA and the parties shall endeavor to resolve the dispute within 30 days. This Agreement shall be governed by and construed in accordance with the laws of the state where the RMA office originating the work or proposal is located. Exclusive of lien claims, any legal action or proceeding brought to enforce or otherwise arising out of or relating to this Agreement shall be brought in the county where the RMA office originating the work or proposal is located. Each party waives its right to a jury trial in any court action arising between the parties, whether under this Agreement or otherwise related to the work being performed under this Agreement.

17. COMPENSATION AND PAYMENT TERMS. Client agrees that an invoice amount is due when received unless otherwise agreed. A service charge of one and one-half percent (1-½%) per month (but not exceeding the maximum allowable by law) will be added to any account not paid within 30 days after the invoice date. In the event that any portion of the account remains unpaid 30 days after the invoice date, RMA may immediately discontinue Services on any and all projects for Client, or withhold any final report or instrument of service, or demand prepayment of fees at RMA's option. Client shall pay all costs incurred by RMA in collecting any delinquent amount, including staff time, court costs and attorney fees. To the fullest extent permitted by law, failure to make payment within sixty (60) days of invoice shall constitute a release of RMA from any and all claims which Client may have, either in tort or contract, and whether known or unknown at the time. Should Services based on a fee schedule be performed beyond the end of the calendar year, RMA's current fee schedule shall apply unless otherwise negotiated in advance.

18. TERMINATION. This Agreement may be terminated without cause by either party upon thirty (30) days written notice, and at any time by either party if the other party defaults in the performance of any material provision of this Agreement and such default continues for a period of seven (7) days after written notice thereof. In the event of termination, RMA will be paid for Services performed through the date of termination, plus reasonable termination expenses, including the cost of completing analyses, demobilization, records and reports necessary to document job status at the time of termination.

19. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties and shall supersede other prior agreements and representations. No amendments to this Agreement shall be valid unless made in writing and signed by the parties. If Client uses its standard business forms, all pre-printed terms and conditions contained in or on such forms shall be deemed stricken and null and void. If the terms and conditions of this Agreement conflict with the terms and conditions of any other agreement or document this Agreement shall govern and control over any such conflict. The invalidity or unenforceability of any portion(s) of this Agreement shall in no way affect the validity or enforceability of any other portion(s) hereof. Any invalid or unenforceable portion shall be severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain a particular portion held to be invalid or unenforceable. This Agreement may be executed in several counterparts, each of which shall be deemed an original having identical legal effect. The titles, captions and headings of this Agreement are included for ease of reference only and will be disregarded in interpreting or construing this Agreement. RMA shall not be bound by any language incorporating by reference any contract or term of any contract unless the term or terms incorporated by reference are specifically furnished to RMA and are expressly agreed to in a writing signed by RMA.

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Dennis Mejia Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Courtney Jones, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 10

SUBJECT: A DESIGN SERVICES AGREEMENT WITH TETRA TECH INC. FOR 13TH STREET 1348 PRESSURE ZONE RESERVOIRS STRUCTURAL RETROFIT PROJECT

RECOMMENDATION: That the City Council authorize the City Manager, or designee, to execute a Design Services Agreement with Tetra Tech, Inc., of Irvine, California to provide Professional Design Services for the 13th Street 1348 Pressure Zone Reservoirs Structural Retrofit Project for an amount of $345,000, plus a 15% contingency of $51,750, for a total not-to-exceed amount of $396,750, and a term of May 5, 2026 to May 4, 2029.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: Proposed Design Services Agreement with Tetra Tech, Inc., (Tetra Tech) is for design services for 13th Street 1348 Pressure Zone Reservoirs Structural Retrofit in the amount of $345,000, plus a 15% contingency of $51,750, for a total not-to-exceed amount of $396,750. Expenditures will be based on Tetra Tech Inc.'s proposal and negotiated rates. If approved, appropriations will be added to future years' budgets consistent with the annual budget adoption process. There is no impact to the General Fund.

BACKGROUND & ANALYSIS: The City operates and maintains three underground concrete reservoirs at the 13th Street Reservoir Park (See Exhibit A) in the City of Upland, which supplies water to Ontario customers in the 1348 Pressure Zone. The three reservoirs were constructed between 1955 and 1972, and have a total capacity of approximately 8.75 million gallons. The 13th Street 1348 Reservoirs were constructed under seismic criteria predating the current California Building Code (CBC) and ASCE 7-22 standards. In 2012, Tetra Tech completed a seismic vulnerability evaluation and a Preliminary Design Report (PDR) that identified deficiencies in the reservoirs' ability to resist seismic design loads. The PDR provided voluntary structural retrofit recommendations to address these seismic design loads in order to increase and preserve the

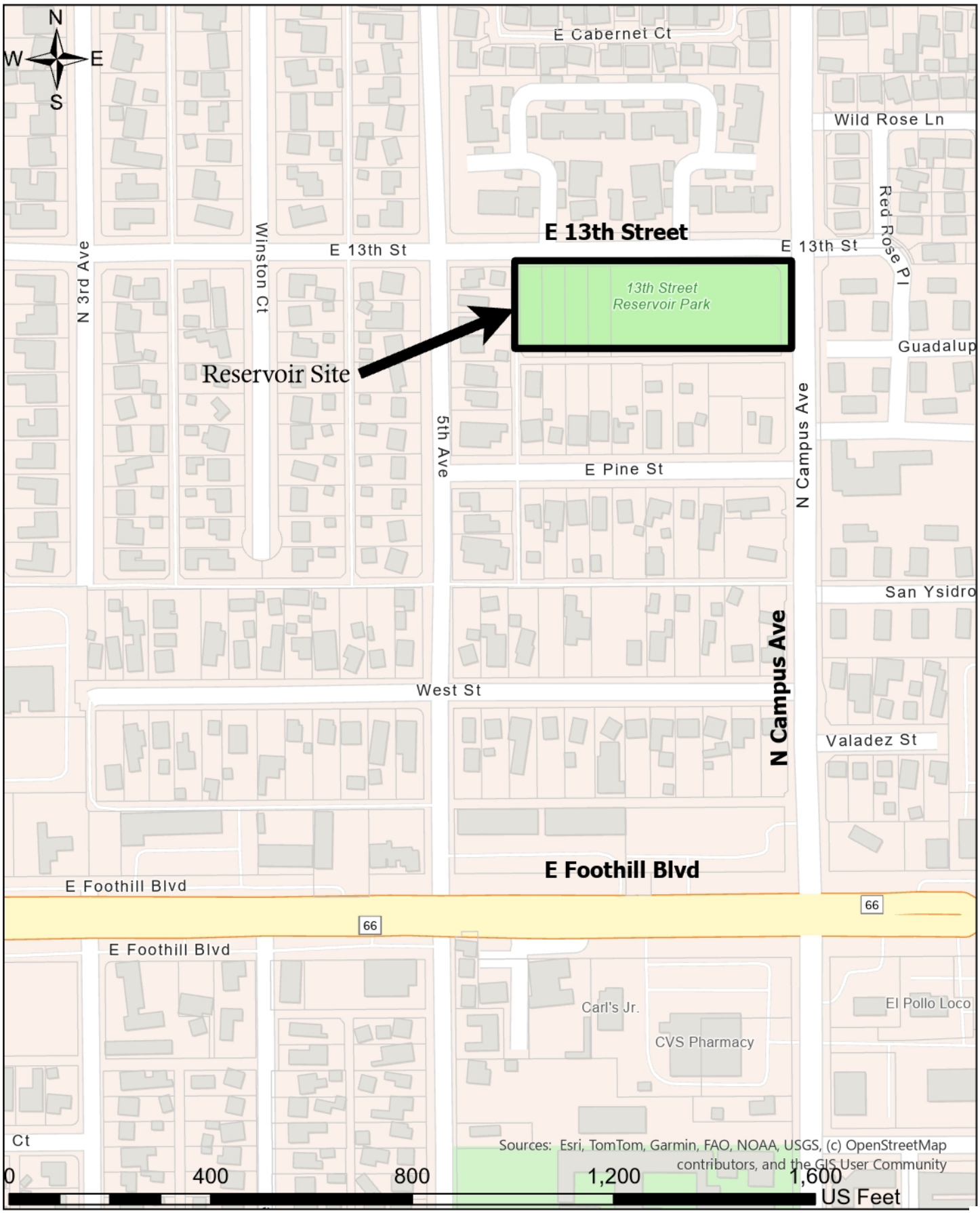
integrity and safety of the structures. The recommendations consisted of installing a cast-in-place reinforced concrete overlay on the existing roof and portions of the walls and floors of all three reservoirs.

The scope of services under this agreement will include revalidation and updating the 2012 PDR, reevaluation of the reservoirs in accordance with the latest building code, updated geotechnical reports, park landscape and irrigation design, public outreach, and grant funding research and application. Based on the recommended alternatives from the PDR, a complete set of plans, specifications, and construction cost estimate will be prepared and used for bidding.

Tetra Tech is the original consultant who performed the seismic vulnerability evaluation and PDR. Tetra Tech possesses unique institutional knowledge of the reservoirs' structural systems and prior analysis. Retaining the original engineer of record will avoid duplicating approximately $146,000 in investigative work, preserve continuity of technical assumptions, and accelerate project delivery by approximately 3 to 4 months due to preliminary engineering previously completed.

Staff is recommending the award and approval of the Design Services Agreement with Tetra Tech based on previous experience providing these services to the City.

OMUC CONTRACT NO. UT1085
CITY OF ONTARIO
13TH STREET 1348 PRESSURE ZONE RESERVOIRS STRUCTURAL RETROFIT PROJECT



CITY OF ONTARIO
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PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN

DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
DESIGN SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into as of _____, by and between the City of Ontario, a municipal corporation organized and operating under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City"), and **Tetra Tech, Inc.**, a **Corporation**, with its principal place of business at **17885 Von Karman Avenue, Suite 500, Irvine, CA 92614** (hereinafter referred to as "Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 City. City is a municipal corporation organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

Consultant**.** Consultant desires to perform and assume responsibility for the provision of certain professional **engineering** design services required by the City on the terms and conditions set forth in this Agreement. Consultant warrants that it is fully licensed, qualified, and willing to perform the services required by this Agreement; provided, however, that if Consultant is a corporation or other organization, the Project Consultant designated pursuant to Section 3.2, and not the Consultant itself, shall be fully licensed to practice as an **engineer** in the State of California.

2.2 Project**.** City desires to engage Consultant to render such services for the **13th Street 1348 Reservoir Structural Retrofits, OMUC Contract No. UT1085** ("Project") as set forth in this Agreement.

3. TERMS

3.1 Employment of Consultant.

3.1.1 Scope of Services. Consultant promises and agrees to furnish to City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional **engineering** and related services necessary for the full and adequate completion of the Project consistent with the provisions of this Agreement (hereinafter referred to as "Services"). The Services are more particularly described throughout this Agreement, including Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, any exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. All Services performed by Consultant shall be subject to the sole and discretionary approval of the City, which approval shall not be unreasonably withheld.

3.1.2 Term. The term of this Agreement shall be from **May 5, 2026** to **May 4, 2029**, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than two additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Project Consultant; Key Personnel.

3.2.1 **Engineer of Record**. Consultant shall name a specific individual to act as Project Consultant, subject to the approval of City. Consultant hereby designates **Corey Hess, P.E.** (CA License No. **68499**) to act as the **Engineer of Record** for the Project. The **Engineer of Record** shall: (1) maintain oversight of the Services; (2) have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement; (3) supervise and direct the Services using his or her best skill and attention; (4) be responsible for the means, methods, techniques, sequences and procedures used for the Services; (5) adequately coordinate all portions of the Services; and (6) act as principal contact with City and all contractors, consultants, engineers and inspectors on the Project. Any change in the **Engineer of Record** shall be subject to the City's prior written approval, which approval shall not be unreasonably withheld. The new **Engineer of Record** shall be of at least equal competence as the prior **Engineer of Record**. In the event that City and Consultant cannot agree as to the substitution of a new **Engineer of Record**, City shall be entitled to terminate this Agreement for cause.

3.2.2 Key Personnel. In addition to the **Engineer of Record**, Consultant has represented to the City that certain additional key personnel, engineers and consultants will perform the Services under this Agreement. Should one or more of such personnel, engineers or consultants become unavailable, Consultant may substitute others of at least equal competence upon written approval of the City. In the event that City and Consultant cannot agree as to the substitution of key personnel, engineers or consultants, City shall be entitled to terminate this Agreement for cause. The key additional personnel, engineers and consultants for performance of this Agreement are as follows: **Steve Tedesco, P.E., Senior Vice President, CA License No. 39261, Molly Mell, P.E., Vice President CA License No. 59104**.

3.3 Hiring of Consultants and Personnel.

3.3.1 Right to Hire or Employ. Consultant shall have the option, unless City objects in writing after notice, to employ at its expense architects, engineers, experts or other consultants qualified and licensed to render services in connection with the planning and/or administration of the Project, and to delegate to them such duties as Consultant may delegate without relieving Consultant from administrative or other responsibility under this Agreement. Consultant shall be responsible for the coordination and cooperation of Consultant's architects,

engineers, experts or other consultants. All consultants, including changes in consultants, shall be subject to approval by City in its sole and reasonable discretion. Consultant shall notify City of the identity of all consultants at least fourteen (14) days prior to their commencement of work to allow City to review their qualifications and approve to their participation on the Project in its sole and reasonable discretion.

3.3.2 Qualification and License. All architects, engineers, experts and other consultants retained by Consultant in performance of this Agreement shall be qualified to perform the Services assigned to them, and shall be licensed to practice in their respective professions, where required by law.

3.3.3 Standards and Insurance. All architects, engineers, experts and other consultants hired by Consultant shall be required to meet all of the same standards and insurance requirements set forth in this Agreement, unless other standards or requirements are approved by the City in writing. Unless changes are approved in writing by the City, Consultant's agreements with its consultants shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.3.4 Assignments or Staff Changes. Consultant shall promptly obtain written City approval of any assignment, reassignment or replacement of such architects, engineers, experts and consultants, or of other staff changes of key personnel working on the Project. As provided in the Agreement, any changes in Consultant's consultants and key personnel shall be subject to approval by City.

3.3.5 Draftsman and Clerical Support. Draftsmen and clerical personnel shall be retained by Consultant at Consultant's sole expense.

3.4 Standard of Care.

3.4.1 Standard of Care. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals qualified to perform the Services in the same discipline in the State of California, and shall be responsible to City for damages sustained by the City and delays to the Project as specified in the indemnification provision of this Agreement. Without limiting the foregoing, Consultant shall be fully responsible to the City for any increased costs incurred by the City as a result of any such delays in the design or construction of the Project. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants and represents that all of its employees, architects, engineers, experts and other consultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees, architects, engineers, experts and other consultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services assigned to or rendered by them and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein.

3.4.2 Performance of Employees. Any employee or consultant who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee or

consultant who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.5 Laws and Regulations.

3.5.1 Knowledge and Compliance. Consultant shall keep itself fully informed of and in compliance with all applicable local, state and federal laws, rules and regulations in any manner affecting the performance of the Services or the Project, and shall give all notices required of the Consultant by law. Consultant shall be liable, pursuant to the standard of care and indemnification provisions of this Agreement, for all violations of such laws and regulations in connection with its Services. Consultant shall defend, indemnify and hold City, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability to the extent arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.5.2 Drawings and Specifications. Consultant shall cause all drawings and specifications to conform to any applicable requirements of federal, state and local laws, rules and regulations, including the Uniform Building Code, in effect as of the time the drawings and specifications are prepared or revised during the latest phase of the Services described in Exhibit "A" attached hereto. Any significant revisions made necessary by changes in such laws, rules and regulations after this time may be compensated as Additional Services which were not known or reasonably should not have been known by Consultant. Consultant shall cause the necessary copies of such drawings and specifications to be filed with any governmental bodies with approval jurisdiction over the Project, in accordance with the Services described in Exhibit "A" attached hereto. For the preparation of all such drawings and specifications, the Consultant shall use Computer Aided Design Drafting ("CADD") (e.g., AutoCAD) or other technology acceptable to the Consultant and City.

3.5.3 Americans with Disabilities Act. Consultant will use its best professional efforts to interpret all applicable federal, state and local laws, rules and regulations with respect to access, including those of the Americans with Disabilities Act ("ADA"). Consultant shall inform City of the existence of inconsistencies of which it is aware or reasonably should be aware between federal and state accessibility laws, rules and regulations, as well as any other issues which are subject to conflicting interpretations of the law, and shall provide the City with its interpretation of such inconsistencies and conflicting interpretations. Unless Consultant brings such inconsistencies and conflicting interpretations to the attention of the City and requests City's direction on how to proceed, the Consultant's interpretation of such inconsistencies and conflicting interpretations shall be the sole responsibility and liability of Consultant, and the Consultant shall correct all plans, specifications and other documents prepared for the Project at no additional cost if its interpretations are shown to be incorrect. In the event that the Consultant request's City's direction on how to proceed with respect to any inconsistent and/or conflicting interpretation, the Consultant shall be responsible to the City only pursuant to the indemnification provisions of this Agreement.

3.5.4 Permits, Approvals and Authorizations. Consultant shall provide City with a list of all permits, approvals or other authorizations required for the Project from all federal, state or local governmental bodies with approval jurisdiction over the Project. Consultant shall then assist the City in obtaining all such permits, approvals and other authorizations. The costs of such permits, approvals and other authorizations shall be paid by the City.

3.5.5 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant shall additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. Failure to comply with laws, regulations, and ordinances listed in this Section is a violation of federal and state law.

3.6 Independent Contractor.

3.6.1 Control and Payment of Subordinates. City retains Consultant on an independent contractor basis and Consultant is not an employee of City. Consultant is not an employee for state tax, federal tax or any other purpose, and is not entitled to the rights or benefits afforded to City's employees. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City, and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.7 Schedule of Services.

3.7.1 Consultant Services. Consultant shall fully and adequately complete the Services described in this Agreement and in Exhibit "A" attached hereto and incorporated herein by reference.

3.7.2 Timely Performance Standard. Consultant shall perform all Services hereunder as expeditiously as is consistent with professional skill and care, as well as the orderly progress of the Project work so as not to be the cause, in whole or in part, of delays in the completion of the Project or in the achievement of any Project milestones, as provided herein. Specifically, Consultant shall perform its Services so as to allow for the full and adequate completion of the Project within the time required by the City and within any completion schedules adopted for the Project. Consultant agrees to coordinate with City's staff, contractors and consultants in the performance of the Services, and shall be available to City's staff, contractors and consultants at all reasonable times.

3.7.3 Performance Schedule. Consultant shall prepare an estimated time schedule for the performance of Consultant's Services, to be adjusted as the Project proceeds. Such schedule shall be subject to the City's review and approval, which approval shall not be unreasonably withheld, and shall include allowances for periods of time required for City's review and approval of submissions, and for approvals of authorities having jurisdiction over Project approval and funding. If City and Consultant cannot mutually agree on a performance schedule, City shall have the authority to immediately terminate this Agreement. The schedule shall not be exceeded by Consultant without the prior written approval of City. If the Consultant's Services

are not completed within the time provided by the agreed upon performance schedule, or any milestones established therein, it is understood, acknowledged and agreed that the City will suffer damage for which the Consultant will be responsible.

3.7.4 Excusable Delays. Any delays in Consultant's work caused by the following may be added to the time for completion of any obligations of Consultant: (1) the actions of City or its employees; (2) the actions of those in direct contractual relationship with City; (3) the actions of any governmental agency having jurisdiction over the Project; (4) the actions of any parties not within the reasonable control of the Consultant; and (5) any Force Majeure Event (as defined herein) or other unforeseen occurrence not due to any fault or negligence on the part of Consultant. Neither the City nor the Consultant shall be liable for damages, liquidated or otherwise, to the other on account of such delays.

3.7.5 Force Majeure Events. Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Consultant and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the Services and Agreement. Should a Force Majeure Event occur, the non-performing Party shall, within fifteen (15) calendar days of the beginning of an Force Majeure Event, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

3.7.6 Request for Excusable Delay Credit. The Consultant shall, within fifteen (15) calendar days of the beginning of any excusable delay, notify the City in writing of the causes of delay (unless City grants in writing a further period of time to file such notice prior to the date of final payment under the Agreement). City will then ascertain the facts and the extent of the delay, and grant an extension of time for completing the Services when, in its sole judgment, the findings of fact justify such an extension. The City's findings of fact thereon shall be final and conclusive on the Parties. Extensions of time shall apply only to that portion of the Services affected by the delay and shall not apply to other portions of the Services not so affected. The sole remedy of Consultant for extensions of time shall be an extension of the performance time at no cost to the City. If Additional Services are required as a result of an excusable delay, the Parties shall mutually agree thereto pursuant to the Additional Services provision of this Agreement. Should Consultant make an application for an extension of time, Consultant shall submit evidence that the insurance policies required by this Agreement remain in effect during the requested additional period of time.

3.8 Additional Services.

3.8.1 Request for Services. At City's request, Consultant may be asked to perform services not otherwise included in this Agreement, not included within the basic services listed in Exhibit "A" attached hereto, and/or not customarily furnished in accordance with generally accepted architectural practice.

3.8.2 Definition. As used herein, "Additional Services" mean: (1) any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary for the Consultant to perform at the execution of this Agreement; or (2) any work listed as Additional Services in Exhibit "A" attached hereto. Consultant shall not perform, nor be compensated for, Additional Services without prior written authorization from City and without an agreement between the City and Consultant as to the compensation to be paid for such services. City shall pay Consultant for any approved Additional Services, pursuant to the compensation provisions herein, so long as such services are not made necessary through the fault of Consultant pursuant to the indemnification provision of this Agreement.

3.8.3 Examples of Additional Services. Such Additional Services shall not include any redesign or revisions to drawings, specifications or other documents when such revisions are necessary in order to bring such documents into compliance with applicable laws, rules, regulations or codes of which Consultant was aware or should have been aware pursuant to the laws and regulations provision of this Agreement above. Such Additional Services may include, but shall not be limited to:

(a) Separately Bid Portions of Project. Plan preparation and/or administration of work on portions of the Project separately bid.

(b) Furniture and Interior Design. Assistance to City, if requested, for the selection of moveable furniture, equipment or articles which are not included in the Construction Documents.

(c) Fault of Contractor. Services caused by delinquency, default or insolvency of contractor, or by major defects in the work of the contractor, provided that any such services made necessary by the failure of Consultant to detect and report such matters when it reasonably should have done so shall not be compensated.

(d) Inconsistent Approvals or Instructions. Revisions in drawings, specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given and are due to causes beyond the control of Consultant.

(e) Legal Proceedings. Serving as an expert witness on City's behalf or attending legal proceedings to which the Consultant is not a party.

(f) Damage Repair. Supervision of repair of damages to any structure.

(g) Extra Environmental Services. Additional work required for environmental conditions (e.g. asbestos or site conditions) not already contemplated within the Consultant's services for the Project.

3.9 City Responsibilities. City's responsibilities shall include the following:

3.9.1 Data and Information. City shall make available to Consultant all necessary data and information concerning the purpose and requirements of the Project, including scheduling and budget limitations, objectives, constraints and criteria. As part of the budget limitation information, the City shall provide the Consultant with a preliminary construction budget ("City's Preliminary Construction Budget").

3.9.2 Project Survey. If required pursuant to the scope of the Project and if requested by Consultant, City shall furnish Consultant with, or direct Consultant to procure at City's expense, a survey of the Project site prepared by a registered surveyor or civil engineer, any other record documents which shall indicate existing structures, land features, improvements, sewer, water, gas, electrical and utility lines, topographical information and boundary dimensions of the site, and any other such pertinent information.

3.9.3 Bid Phase. Distribute Construction Documents to bidders and conduct the opening and review of bids for the Project.

3.9.4 Testing. Retain consultant(s) to conduct chemical, mechanical, soils, geological or other tests required for proper design of the Project, and furnish such surveys, borings, test pits, and other tests as may be necessary to reveal conditions of the site which must be known to determine soil condition or to ensure the proper development of the required drawings and specifications.

3.9.5 Required Inspections and Tests. Retain consultant(s) to conduct materials testing and inspection or environmental/hazardous materials testing and inspection pursuant to any applicable laws, rules or regulations.

3.9.6 Fees of Reviewing or Licensing Agencies. Directly pay or reimburse the payment of all fees required by any reviewing or licensing agency, or other agency having approval jurisdiction over the Project.

3.9.7 City's Representative. The City hereby designates the City Manager, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. The City Manager hereby designates **Dennis Mejia, PE, Utilities Engineering Manager**, or his or her designee, as the City's contact for the implementation of the Services hereunder. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.9.8 Review and Approved Documents. Review all documents submitted by Consultant, including change orders and other matters requiring approval by the City Council or other officials. City shall advise Consultant of decisions pertaining to such documents within a reasonable time after submission, so as not to cause unreasonable delay as provided in the excusable delay provisions of this Agreement above.

3.10 Compensation.

3.10.1 Consultant's Compensation for Basic Services. City shall pay to Consultant, for the performance of all Services rendered under this Agreement, the total not to exceed amount of **Three Hundred Forty-Five Thousand** Dollars **($345,000**) ("Total

Compensation"). This Total Compensation amount shall be based upon, and may be adjusted according to, the fee schedule and related terms and conditions attached hereto as Exhibit "B" and incorporated herein by reference. The Total Compensation, as may be adjusted upon mutual agreement, shall constitute complete and adequate payment for Services under this Agreement.

3.10.2 Payment for Additional Services. At any time during the term of this Agreement, City may request that Consultant perform Additional Services. As used herein, Additional Services means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Any additional work in excess of this amount must be approved by the City. If authorized, such Additional Services will be compensated at the rates and in the manner set forth in Exhibit "C" attached hereto and incorporated herein by reference, unless a flat rate or some other form of compensation is mutually agreed upon by the Parties. If City requires Consultant to hire consultants to perform any Additional Services, Consultant shall be compensated therefore at the rates and in the manner set forth in Exhibit "C" attached hereto and incorporated herein by reference, unless a flat rate or some other form of compensation is mutually agreed upon by the Parties. City shall have the authority to review and approve the rates of any such consultants. In addition, Consultant shall be reimbursed for any expenses incurred by such consultants pursuant to the terms and conditions of Section 3.10.3.

3.10.3 Reimbursable Expenses. Reimbursable expenses are in addition to compensation for the Services and Additional Services. Consultant shall not be reimbursed for any expenses unless authorized in writing by City, which approval may be evidenced by inclusion in Exhibit "C" attached hereto. Such reimbursable expenses shall include only those expenses which are reasonably and necessarily incurred by Consultant in the interest of the Project. Consultant shall be required to acquire prior written consent in order to obtain reimbursement for the following: (1) extraordinary transportation expenses incurred in connection with the Project; (2) out-of-town travel expenses incurred in connection with the Project; (3) fees paid for securing approval of authorities having jurisdiction over the Project; (4) bid document duplication costs in excess of $1,000; and (5) other costs, fees and expenses in excess of $1,000.

3.10.4 Payment to Consultant. Consultant's compensation and reimbursable expenses shall be paid by City to Consultant no more often than monthly. Such periodic payments shall be made based upon the percentage of work completed, and in accordance with the phasing and funding schedule provided in Exhibit "B" and the compensation rates indicated in Exhibit "C" attached hereto and incorporated herein by reference. In order to receive payment, Consultant shall present to City an itemized statement which indicates Services performed, percentage of Services completed, method for computing the amount payable, and the amount to be paid. The statement shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement, as well as those expenses for which reimbursement is requested for that statement period. The amount paid to Consultant shall never exceed the percentage amounts authorized by the phasing and funding schedule located in Exhibit "B" attached hereto. City shall, within thirty (30) days of receiving such statement, review the statement and pay all approved charges thereon pursuant to the provisions of Civil Code Section 3320. Disputed amounts shall be resolved by the Parties in a mutually agreeable manner.

Payments made for Additional Services shall be made in installments, not more often than monthly, proportionate to the degree of completion of such services or in such other manner as the Parties shall specify when such services are agreed upon, and in accordance with any authorized fee or rate schedule. In order to receive payment, Consultant shall present to City an

itemized statement which indicates the Additional Services performed, percentage of Additional Services completed, method for computing the amount payable, and the amount to be paid. The statement shall describe the amount of Additional Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within thirty (30) days of receiving such statement, review the statement and pay all approved charges thereon pursuant to the provisions of Civil Code Section 3320. Disputed amounts shall be resolved by the Parties in a mutually agreeable manner.

Upon cancellation or termination of this Agreement, Consultant shall be compensated as set forth in the termination provision herein.

3.10.5 Withholding Payment to Consultant. The City may withhold payment, in whole or in part, to the extent reasonably necessary to protect the City from claims, demands, causes of action, costs, expenses, liabilities, losses, damages, or injuries of any kind to the extent arising out of or caused by the negligence, recklessness, or willful misconduct protected under the indemnification provisions of this Agreement. Failure by City to deduct any sums from a progress payment shall not constitute a waiver of the City's right to such sums. The City may keep any moneys which would otherwise be payable at any time hereunder and apply the same, or so much as may be necessary therefor, to the payment of any expenses, losses, or damages as determined by the City, incurred by the City for which Consultant is liable under the Agreement or state law. Payments to the Consultant for compensation and reimbursable expenses due shall not be contingent on the construction, completion or ultimate success of the Project. Payment to the Consultant shall not be withheld, postponed, or made contingent upon receipt by the City of offsetting reimbursement or credit from Parties not within the Consultant's reasonable control.

3.10.6 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is $1,000 or more, Consultant agrees to fully comply with and to require its consultants to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the Project site. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure of the Consultant or its consultants to comply with the Prevailing Wage Laws.

(a) Registration/DIR Compliance. If the Services are being performed as part of an applicable "public works project" of over $25,000 when the project is for construction, alteration, demolition, installation, or repair work, or a public works project of over $15,000 when the project is for maintenance work, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such Services must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR. Any stop orders issued by the Department of Industrial Relations against Consultant or any subconsultant that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subconsultant.

3.10.7 **Automated Clearing House ("ACH") payments.** It is the City's policy to pay its consultant invoices via electronic fund transfers through the ACH network. All payments due and owing pursuant to a properly issued and correct invoice or under this Agreement shall be made through electronic ACH transfers, unless otherwise agreed upon by both Parties in writing. Consultant shall provide the City with ACH payment details whereby the City shall initiate the ACH transfers to Consultant in the amount required pursuant to a properly issued and correct invoice or under this Agreement. Each Party shall undertake any and all required actions and execute any required documents, instruments, or agreements required to effectuate the requirements of this Section. In the event the City erroneously deposits funds into an account, or otherwise deposits funds to which Consultant is not entitled: (1) Consultant shall immediately notify the City and the financial institution; (2) Consultant shall not withdraw any of the funds which were erroneously deposited or to which Consultant is not entitled; and (3) Consultant authorizes both the City and financial institution to take all actions necessary to correct the error and return to the City all funds erroneously deposited or to which Consultant is not entitled.

3.11 Notice to Proceed.

Consultant shall not proceed with performance of any Services under this Agreement unless and until the City provides a written notice to proceed.

3.12 Termination, Suspension and Abandonment.

3.12.1 Grounds for Termination; Consultant's Termination for Cause. City hereby reserves the right to suspend or abandon, at any time and for any reason, all or any portion of the Project and the construction work thereon, or to terminate this Agreement at any time with or without cause. Consultant shall be provided with at least seven (7) days advanced written notice of such suspension, abandonment or termination. In the event of such suspension, abandonment or termination, Consultant shall be paid for Services and reimbursable expenses rendered up to the date of such suspension, abandonment or termination, pursuant to the schedule of payments provided for in this Agreement, less any claims against or damages suffered by City as a result of the default, if any, by Consultant. Consultant hereby expressly waives any and all claims for damages or compensation arising under this Agreement, except as set forth herein, in the event of such suspension, abandonment or termination. Consultant may terminate this Agreement for

substantial breach of performance by the City such as failure to make payment to Consultant as provided in this Agreement.

3.12.2 City's Suspension of Work. If Consultant's Services are suspended by City, City may require Consultant to resume such Services within ninety (90) days after written notice from City. When the Project is resumed, the Total Compensation and schedule of Services shall be equitably adjusted upon mutual agreement of the City and Consultant.

3.12.3 Documents and Other Data. Upon suspension, abandonment or termination, Consultant shall provide to City all preliminary studies, sketches, working drawings, specifications, computations, and all other Project Documents, as defined below, to which City would have been entitled at the completion of Consultant's Services under this Agreement. Upon payment of the amount required to be paid to Consultant pursuant to the termination provisions of this Agreement, City shall have the rights, as provided in this Agreement hereinafter, to use such Project Documents prepared by or on behalf of Consultant under this Agreement. Consultant shall make such documents available to City upon request and without additional compensation other than as may be approved as a reimbursable expense.

3.12.4 Employment of other Consultants. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.13 Ownership and Use of Documents; Confidentiality.

3.13.1 Ownership. All plans, specifications, original or reproducible transparencies of working drawings and master plans, preliminary sketches, architectural presentation drawings, structural computations, estimates and any other documents prepared pursuant to this Agreement, including, but not limited to, any other works of authorship fixed in any tangible medium of expression such as writings, physical drawings and data magnetically or otherwise recorded on computer diskettes (hereinafter referred to as the "Project Documents") shall be and remain the property of City. Although the official copyright in all Project Documents shall remain with the Consultant or other applicable subcontractors or consultants, the Project Documents shall be the property of City whether or not the work for which they were made is executed or completed. Within thirty (30) calendar days following completion of the Project, Consultant shall provide to City copies of all Project Documents required by City. In addition, Consultant shall retain copies of all Project Documents on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of reasonable duplication costs. Before destroying the Project Documents following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.13.2 Right to Use. Consultant grants to City the right to use and reuse all or part of the Project Documents, at City's sole discretion and with no additional compensation to Consultant, for the following purposes:

(a) The construction of all or part of this Project.

(b) The repair, renovation, modernization, replacement, reconstruction or expansion of this Project at any time;

(c) The construction of another project by or on behalf of the City for its ownership and use;

City is not bound by this Agreement to employ the services of Consultant in the event such documents are used or reused for these purposes. City shall be able to use or reuse the Project Documents for these purposes without risk of liability to the Consultant or third parties with respect to the condition of the Project Documents, and the use or reuse of the Project Documents for these purposes shall not be construed or interpreted to waive or limit City's right to recover for latent defects or for errors or omissions of the Consultant.

Any use or reuse by City of the Project Documents on any project other than this Project without employing the services of Consultant shall be at City's own risk with respect to third parties. If City uses or reuses the Project Documents on any project other than this Project, it shall remove the Consultant's seal from the Project Documents and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Project Documents on such other project.

3.13.3 License. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify or reuse any and all Project Documents and any intellectual property rights therein. Consultant shall require any and all subcontractors and consultants to agree in writing that City is granted a non-exclusive and perpetual license for the work of such subcontractors or consultants performed pursuant to this Agreement.

3.13.4 Right to License. Consultant represents and warrants that Consultant has the legal right to license any and all copyrights, designs and other intellectual property embodied in the Project Documents that Consultant prepares or causes to be prepared pursuant to this Agreement. Consultant shall indemnify and hold City harmless pursuant to the indemnification provisions of this Agreement for any breach of this Section. Consultant makes no such representation and warranty in regard to previously prepared designs, plans, specifications, studies, drawings, estimates or other documents that were prepared by design professionals other than Consultant and provided to Consultant by City.

3.13.5 Confidentiality. All Project Documents, either created by or provided to Consultant in connection with the performance of this Agreement, shall be held confidential by Consultant to the extent they are not subject to disclosure pursuant to the Public Records Act. All Project Documents shall not, without the written consent of City, be used or reproduced by Consultant for any purposes other than the performance of the Services. Consultant shall not disclose, cause or facilitate the disclosure of the Project Documents to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the written consent of City.

3.14 Indemnification.

3.14.1 To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the City, its officials, officers, employees, and volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out

of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of damages, expert witness fees and reasonable attorney's fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

3.14.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.15 Insurance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this Section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.15.1 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, Consultant shall, at its expense, procure and maintain in full force and effect for the duration of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

3.15.2 Additional Insured. The City of Ontario, its officials, officers, employees, agents, and volunteers shall be named as additional insureds on Consultant's and its subconsultants' policies of commercial general liability and automobile liability insurance using the endorsements and forms specified herein or exact equivalents.

3.15.3 Commercial General Liability

(a) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the City.

(b) Coverage for Commercial General Liability insurance shall be at least as broad as the following: Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent. Commercial General Liability Insurance must include coverage for the following:

(i) Bodily Injury and Property Damage

(ii) Personal Injury/Advertising Injury

(iii) Premises/Operations Liability

(iv) Products/Completed Operations Liability

(v) Aggregate Limits that Apply per Project

(vi) Explosion, Collapse and Underground (UCX) exclusion deleted

(vii) Contractual Liability with respect to this Contract

(viii) Broad Form Property Damage

(ix) Independent Consultants Coverage

(c) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(d) The policy shall give City, the City Council and each member of the City Council, its officers, employees, agents and City designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(e) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City, and provided that such deductibles shall not apply to the City as an additional insured.

3.15.4 Automobile Liability

(a) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the City.

(b) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(c) The policy shall give City, the City Council and each member of the City Council, its officers, employees, agents and City designated volunteers additional insured status.

(d) Subject to written approval by the City, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the City as an additional insured, but not a self-insured retention.

3.15.5 Workers' Compensation/Employer's Liability

(a) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(b) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this Section.

3.15.6 Professional Liability (Errors and Omissions)

(a) At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the City and in an amount indicated herein. This insurance shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

3.15.7 Minimum Policy Limits Required

(a) The following insurance limits are required for the Agreement:

Coverage	Combined Single Limit
Commercial General Liability	$2,000,000 per occurrence/ $4,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	$2,000,000 per occurrence for bodily injury and property damage
Employer's Liability	$1,000,000 per occurrence
Professional Liability	$2,000,000 per claim and aggregate (errors and omissions)

(b) If umbrella or excess liability coverage is used to meet any required limit(s) specified herein, the Contractor shall provide a "follow form" endorsement satisfactory to the City indicating that such coverage is subject to the same terms and conditions as the underlying liability policy.

(c) Defense costs shall be payable in addition to the limits.

(d) Requirements of specific coverage or limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

3.15.8 Evidence Required

(a) Prior to execution of the Agreement, the Consultant shall file with the City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

3.15.9 Policy Provisions Required

(a) Consultant shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration.

(b) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

(c) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(d) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(e) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

3.15.10 Qualifying Insurers

(a) All policies required shall be issued by acceptable insurance companies, as determined by the City, which satisfy the following minimum requirements: Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.15.11 Additional Insurance Provisions

(a) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(b) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(c) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(d) Neither the City nor the City Council, nor any member of the City Council, nor any of the officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

3.15.12 Subconsultant Insurance Requirements

(a) Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the City that they have secured all insurance required under this Section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the City as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, City may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.16 Records.

Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of five (5) years from the date of final payment under this Agreement.

3.17 Standardized Manufactured Items.

Consultant shall cooperate and consult with City in the use and selection of manufactured items on the Project, including but not limited to, paint, hardware, plumbing, mechanical and electrical equipment, fixtures, roofing materials and floor coverings. All such manufactured items shall be standardized to City's criteria to the extent such criteria do not interfere with building design.

3.18 Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described herein. Any additional or subsequent construction at the site of the Project, or at any other City site, will be covered by, and be the subject of, a separate Agreement for **engineering** services between City and the Consultant chosen therefor by City.

3.19 Mediation.

Disputes arising from this Agreement may be submitted to mediation if mutually agreeable to the Parties hereto. The type and process of mediation to be utilized shall be subject to the mutual agreement of the Parties.

3.20 Successors and Assigns.

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of City. Any attempted assignment without such consent shall be invalid and void.

3.21 Asbestos Certification.

Consultant shall certify to City, in writing and under penalty of perjury, that to the best of its knowledge, information and belief no asbestos-containing material or other material deemed to be hazardous by the state or federal government was specified as a building material in any construction document that the Consultant prepares for the Project. Consultant shall require all consultants who prepare any other documents for the Project to submit the same written certification. Consultant shall also assist the City in ensuring that contractors provide City with certification, in writing and under penalty of perjury, that to the best of their knowledge, information and belief no material furnished, installed or incorporated into the Project contains asbestos or any other material deemed to be hazardous by the state or federal government. These certifications shall be part of the final Project submittal. Consultant shall include statements in its

specifications that materials containing asbestos or any other material deemed to be hazardous by the state or federal government are not to be included.

3.22 No Third Party Rights.

This Agreement shall not create any rights in, or inure to the benefits of, any third party except as expressly provided herein.

3.23 Governing Law.

This Agreement shall be construed in accordance with, and governed by, the laws of the State of California. Venue shall be in San Bernardino County.

3.24 Exhibits and Recitals.

All exhibits and recitals contained herein and attached hereto are material parts of this Agreement and are incorporated as if fully set forth.

3.25 Severability.

Should any provision in the Agreement be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall continue in full force and effect.

3.26 Non-Waiver.

None of the provisions of this Agreement shall be considered waived by either Party, unless such waiver is specifically specified in writing.

3.27 Safety.

Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of its employees, consultant and subcontractors appropriate to the nature of the work and the conditions under which the work is to be performed.

3.28 Harassment Policy.

Consultant shall provide a copy of the City's Harassment Policy to each of its employees assigned to perform the tasks under this Agreement. Consultant shall submit to the City's Personnel Manager a statement signed by each of its employees who are assigned to perform the Services under this Agreement certifying receipt of City's Harassment Policy and certifying that they have read the Harassment Policy. A finding by the City that any of Consultant's employees has harassed a City employee shall be grounds for appropriate discipline, up to and including such employee's removal from performance of this Agreement at City's request.

3.29 Delivery of Notices.

All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective Parties may provide in writing for this purpose:

CITY:

City of Ontario

303 East "B" Street

Ontario, CA 91764

Attn: **Dennis Mejia, P.E., Utilities Engineering Manager, OMUC**

CONSULTANT:

Tetra Tech, Inc.
17885 Von Karman Ave., Suite 500,

Irvine, CA 92614
Attn: **Corey Hess**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.30 Time of Essence.

Time is of the essence for each and every provision of this Agreement.

3.31 City's Right to Employ Other Consultants.

City reserves right to employ other consultants, including designers, in connection with this Project or other projects.

3.32 Prohibited Interests.

3.32.1 Solicitation. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability.

3.32.2 Conflict of Interest. For the term of this Agreement, no director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.33 Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or any other classification protected by federal or state law. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's minority business enterprise program, affirmative action plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.34 Labor Certification.

By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.35 Subcontracting.

As specified in this Agreement, Consultant shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to each and every provision of this Agreement.

3.36 Supplemental Conditions.

Any supplemental conditions shall be attached as an exhibit to this Agreement, and that exhibit shall be incorporated herein by reference.

3.37 Entire Agreement.

This Agreement, with its exhibits, contains the entire agreement of the Parties hereto, and supersedes any and all other prior or contemporaneous negotiations, understandings and oral or written agreements between the Parties hereto. Each Party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. Furthermore, any modification of this Agreement shall only be effective if in writing signed by all Parties hereto.

SIGNATURES ON FOLLOWING PAGE

SIGNATURE PAGE FOR DESIGN SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO
AND TETRA TECH, INC.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

Tetra Tech, Inc.

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

[If Corporation, TWO SIGNATURES, President OR Vice President <u>AND</u> Secretary OR Treasurer REQUIRED]

EXHIBIT "A"
SCOPE OF SERVICES

FOR
PROVIDING PROFESSIONAL DESIGN SERVICES
FOR

13TH STREET 1348 PRESSURE ZONE RESERVOIRS STRUCTURAL RETROFIT (UT1085)

The Consultant is responsible for providing the following general Scope of Services:

1. GENERAL REQUIREMENTS.

Background

The 13th Street 1348 Reservoirs were constructed under seismic criteria predating the current California Building Code (CBC) and ASCE 7-22 standards. In 2012, Tetra Tech, Inc. completed a seismic vulnerability evaluation and a Preliminary Design Report (PDR) that identified deficiencies in the reservoirs' ability to resist seismic design loads. The PDR provided voluntary structural retrofit recommendations to address these seismic design loads in order to increase and preserve the integrity and safety of the structures.

The scope of services under this agreement will include revalidation and updating the 2012 PDR, reevaluation of the reservoirs in accordance with the latest building code, updated geotechnical reports, park landscape and irrigation design, public outreach, and grant funding research and application. Based on the recommended alternatives from the PDR, a complete set of plans, specifications, and construction cost estimate will be prepared and used for bidding.

1.1 Basic Services. Consultant agrees to perform all the necessary professional, engineering (e.g. mechanical, electrical, plumbing, structural, civil, site engineering), and any other necessary engineering services mutually agreeable to the parties for the Project in a timely and professional manner, consistent with the standards of the profession, including those provided for herein.

1.2 Exclusions from Basic Services. The following services will be excluded from the basic services listed above: "N/A", NOT APPLICABLE.

1.3 Communication with City. Consultant will participate in consultations and conferences with authorized representatives of City and/or other local, regional, or State agencies concerned with the Project, which may be necessary for the completion of the Project or the development of documents in accordance with the applicable standards and requirements of law and the City. Such consultations and conferences will continue throughout the planning and development of the Project. Consultant will take direction only from the City's Representative, or any other representative specifically designated by the City for this Project, including any Construction Manager hired by the City.

1.3.1 **Weekly Project Check-ins.** Consultant will provide a minimum of one brief weekly project update via telephone call to the City's Project Manager and follow-up the telephone call with a brief email to summarize the discussion. The Weekly Check-in will include: current project status; tasks or items completed since last project update; tasks and items expected to be

completed in the coming week; any issues that may affect project status; and any action items for the Consultant and City.

1.3.2 **Meeting Agendas and Minutes with Action Items.** Agendas, with attachments, will be sent at least one full business day prior to the date of the meeting. Meeting Minutes (draft and final) with Action Items will be sent within three business days after: all Meetings regarding the Project, including meetings with the City or any other parties; and after all Project communications regarding change in project status.

1.3.3 **Monthly Billings.** Invoices will include, at a minimum, number of hours budgeted for each task or sub-task, number of hours spent during the month and cumulative for the project. In addition, the monthly invoices will identify labor, indirect and other project related costs incurred during the month and brief description of the activities. Consultant will provide to the Project Manager one (1) electronic copy (smart pdf).

1.3.4 **Monthly Billing Status Reports.** A Monthly Billing Status Report will be submitted with the Monthly Billing Invoice, which includes: summary of work completed and review of work status relative to budget and schedule. Any divergences between work completed and budget expended and schedule needs to be specifically explained and addressed to avoid future budget short-comings and delays in schedule.

1.3.5 **Updated Project Schedule.** The Project Schedule will be updated monthly, or whenever there is an expected change to the deliverables schedules and will address any deviation from the schedule, if any. Updated project schedules will be sent with the appropriate weekly check-in.

1.3.6 **Updated Project Budget.** The Project Budget (including an itemized Costs Estimate) will be updated whenever there are changes that are expected to significantly impact estimated Project Budget, and at a minimum, with the completion of each task.

1.3.7 **Kickoff Meeting:** Consultant will organize, prepare and facilitate the Project Kickoff Meeting. The kickoff meeting will include an agenda and a review of project scope, schedule, establish project communication procedures, define project deliverables, and meeting schedule.

1.3.8 **Decision Log:** Consultant will maintain a decision log in order to record the decisions made by the project team. The decision log will contained all decisions, including those made during the technical workshops, project meetings, telephone conversations and emails. Decision Log at the minimum will include the following heading: item number, date, item action description, decision made, action taken, notes.

1.3.9 **Format of Deliverables:** Consultant will submit all original documents in one or more of the followings formats as directed to by the City: MS Word, MS Excel, MS Project, MS Power Point, PDF, AutoCAD, Arc GIS.

February 11, 2026

Thomas Palmieri, PE
City of Ontario - Ontario Municipal Utilities Company
1425 S. Bon View Avenue
Ontario, CA 91761

Reference: Proposal to Provide Engineering Services for the 13th Street Reservoir Rehabilitation Project

Dear Mr. Palmieri,

Thank you for the opportunity to provide this proposal for Engineering Design Services for the 13th Street Reservoir Rehabilitation Project to the Ontario Municipal Utilities Company (City). We are very familiar with the project, as we prepared the "13th Street Underground Reservoirs Seismic Retrofit" report (Report). As you are aware, our company and staff are well-versed in the planning, design, and construction of potable water reservoirs, pipelines, and associated site development and restoration required for the project. We would be happy to provide project experience and resumes upon request.

PROJECT UNDERSTANDING AND PROJECT APPROACH

In 2008, Tetra Tech performed a seismic vulnerability evaluation for ten out of twelve of the City's potable water reservoirs. The three concrete reservoirs located at the corner of E 13th Street and N Campus Ave were identified as seismic deficient per the 2007 CBC. These three underground concrete reservoirs were constructed at different times. Later in 2012, Tetra Tech prepared a Preliminary Design Report (PDR) that discussed the deficiencies of the 13th Street Underground Reservoirs and provided recommendations for its seismic retrofit. After the completion of the PDR in 2012, the project was shelved by the City due to budgetary constraints. We understand that the City has now decided to resume the 13th Street Reservoirs Rehabilitation Project. We propose to approach this project in two phases. The first preliminary design phase involves revisiting the PDR and provides a tech memorandum to discuss the changes, and the second final design phase entails finalizing the seismic retrofit design and preparing the bid-ready PS&E document for the construction.

Since the previous evaluation was conducted over 13 years ago, the building code has already undergone four revisions during this time frame. To restart the project, the first step would be to reevaluate the reservoirs in accordance with the latest building code, the 2025 CBC, and ASCE 7-22. The geotechnical report that was prepared during the PDR stage should be updated to reflect the current building code for the structural analysis. Based on preliminary research, the design seismic acceleration, as per the current code, was identified to have increased by about 10% from our previous analysis 13 years ago. The seismic sloshing has also increased substantially per the current code, which will affect the reservoir retrofit.

As Phase 1, Tetra Tech will prepare a technical memorandum discussing the changes from the previous PDR, and the additional project components (pipelines construction, landscape and irrigation design approach, and grant funding opportunities) and considerations (construction sequencing recommendations to maintain uninterrupted water supply to the 1348 Pressure Zone). The technical memorandum will also include conceptual drawings and an updated construction cost estimate based on the preliminary design. After the City reviews the technical memorandum, Tetra Tech will meet with the City to discuss the final design and receive direction heading into Phase 2 – Design.

Services also to be provided in Phase 1 include: project management, a review meeting, and a topographic survey that will aid the development of the site (grading, landscape, irrigation and water quality) improvements.

Phase 2 of the 13th Street Reservoirs Rehabilitation Project will consist of design services (including 60%, 90% and Final Design). For 60% design, Tetra Tech will advance the design from the conceptual drawings. Comments to the Technical Memorandum and conceptual drawings with be addressed. The submittal will include drawings, complete set of specifications, and a construction cost estimate at a 60% level.

Tetra Tech will receive and respond to City comments to the 60% submittal.

Tetra Tech will then proceed to 90% design, with the same deliverables (plans, specifications and estimates) at 90% level of completion. After the City has provided the 90% review comments, Tetra Tech will respond to all comments and revised the plans and specifications accordingly. Finally, Tetra Tech will prepare and provide the 100% bid-ready PS&E submittal that addresses the City's 90% comments.

Tetra Tech will also provide the following services in Phase 2:

- Project Management
- Design Calculations
- Quality Control Review
- Water Quality Management Plan
- Public Outreach

Tetra Tech will assist the City with the public outreach program. Since the public park above the reservoir will need to be taken out of service for an extended period during construction, a public outreach program will help manage the adjacent community's expectations and help reduce conflict. We propose using a public outreach professional, Jessica Padilla of KPA (Katherine Padilla and Associates), to conduct the outreach.

The Primary outreach objectives are:

- Notify adjacent residents, regular users, and stakeholders in advance.
- Explain the construction reason, expected benefits, and estimated closure dates/phases.
- Provide clear alternative routes, facilities, and recreational options during the closure.
- Solicit and document community input on mitigation measures (parking, access, noise windows).
- Hold two public meetings to respond to citizens' comments.
- Maintain transparency through scheduled updates and a designated contact for questions/complaints.

SCOPE OF SERVICES

1. Preliminary Design (Phase 1)

In the preliminary design phase, Tetra Tech will revisit the PDR and provide a technical memorandum to discuss the updated design requirements and approach:

- Task 1A - Technical Memorandum
    - Check reservoir structure per 2025 CBC and ASCE 7-22
    - Update the geotechnical report to include the latest design parameters
    - Discuss the findings and recommendations.
    - Pipelines to Reservoir
    - Constructability Plan for 1348 Pressure Zone (to maintain uninterrupted service during construction)
    - Landscape and irrigation design basis of design summary
    - Grant Funding Opportunities Research Summary
    - Revise construction estimates
    - Conceptual level reservoir retrofit drawings

- Task 1B - Review Meeting - Tetra Tech will conduct a review meeting with the City to discuss the retrofit direction after the submission of the technical memorandum. The Design Review Meeting will be via web call.
- Task 1C - Topographic Survey - Tetra Tech will provide a California-licensed surveyor to document the site topography and surface features, as well as surface utilities within the project area. The survey will be tied horizontally to the California State Plan coordinate system NAD83 (2017.50 Epoch). Vertically, the survey will be tied to NAVD 88 (1995 Adjustment) based upon observed San Bernardino County public works benchmarks.

  Surveying staff will identify or set on-site horizontal and vertical control points to assist during the construction phase of the project.

  The topographic survey will be delivered in PDF & AutoCAD 2024 Civil3D format with contours generated at 1 ft intervals unless otherwise requested by the client.
- Task 1D - Utility Research - Tetra Tech will research utilities, obtaining drawings and maps in order to plot the utilities for the design drawings.

2. Final Design (Phase 2)

The scope in this phase is dependent on the direction given by the City from the Preliminary Design Phase. The final design phase scope is based on the main design component assumptions outlined below, and it is assumed that there will be three milestone submittals: 60%, 90% and 100% Final Bid-Ready.

1. Structural Strengthening of the Reservoir - Adding reinforced shotcrete/concrete overlays to strengthen the reservoir wall, slab, and roof.
2. Site Grading and Drainage - Restoring grading at the site after the reservoir retrofit and adding a subdrain system beneath the soil backfill on top of the concrete roof to improve the groundwater subdrainage. A topographic site survey is included in the scope, under the preliminary design phase as Task 1C. This project will replace impervious areas such that it is likely to trigger the Water Quality Management Plan (WQMP), and the site Best Management Practices (BMPs) / Low Impact Development (LID) measures. Thus, a WQMP is included under Task 2I. However, a SWPPP is **NOT** included in the scope, as it is assumed to be completed by the contractor.
3. Landscaping Design - Replacing all landscaping, irrigation, and park amenities in-kind. The scope will include coordination with the City of Upland Parks and Recreation Department, and design of the replacement in-kind for the landscape design, irrigation plans and details. The five (5) plan sheets anticipated for the landscape design are listed under Task 2D.
4. Pipeline Design – Design of replacement pipelines from the reservoir, and in the alleyway south of the reservoir, including the 18” Water (in coordination with UT1095-1348PZ Water Main Replacement Project), 6” Drain and 16” Overflow pipelines. The limits of the pipeline replacements will be from the reservoir and into the alleyway and extending to Campus Avenue (including connections at the alleyway / Campus Avenue intersection).
5. Mechanical Pipe Design - The internal mechanical and piping for the reservoir will be protected in place and remain unchanged. The direction of recoating of piping inside the reservoir will be included in the drawings and specifications.

- Task 2A - Project Management
  - Design Kick-Off Meeting - Tetra Tech will conduct a Design Kick-Off meeting with City. This includes preparing a meeting agenda and conference notes. The Design Kick-Off Meeting will be via web call.
  - Monthly Coordination Meetings - Tetra Tech will conduct monthly coordination meetings with the City to report on the progress of the project. The meetings will be via web call. Tetra Tech will prepare a

meeting agenda and conference notes for each meeting. We assumed that there would be nine (9) monthly meetings.

- Task 2B - Public Outreach Assistance - Tetra Tech will assist the City in preparing materials for the public outreach program, such as notification letters. We also propose having up to two public outreach meetings conducted by our outreach professional.
- Task 2C - Design Calculations - Tetra Tech will prepare Structural Reservoir Strengthening Calculations stamped and signed by a Structural Engineer licensed in the state of California.
- Task 2D - Drawings - Below is an expected list of drawings (33 sheets). Traffic control plans are excluded, and assumed to be contractor's responsibility due to the limited work in public right-of-way.
    - G-1 Title sheet
    - G-2 Vicinity Map
    - C-1 Existing Site, Demo, Stockpile / Laydown Plan
    - C-2 Grading Plan
    - C-3 Subdrainage Plan
    - C-4 Grading Details 1
    - C-5 Grading Details 2
    - C-6 18" W Pipeline Plan and Profile
    - C-7 6" D Pipeline Plan and Profile
    - C-8 16" Overflow Pipeline Plan and Profile
    - C-9 Pipeline Details 1
    - C-10 Pipeline Details 2
    - C-11 Pipeline Vaults / Details
    - S-1 Structural General Notes
    - S-2 Notes for Special Inspections & Structural Observations
    - S-3 Reservoir No.1 Floor Plan
    - S-4 Reservoir No.1 Roof Plan
    - S-5 Reservoir No.2 Floor Plan
    - S-6 Reservoir No.2 Roof Plan
    - S-7 Reservoir No.3 Floor Plan
    - S-8 Reservoir No.3 Roof Plan
    - S-9 Reservoir Section 1
    - S-10 Reservoir Section 2
    - S-11 Structural Detail 1
    - S-12 Structural Detail 2
    - S-13 Structural Detail 3
    - S-14 Structural Detail 4
    - L-1 Landscape Plan
    - L-2 Irrigation Plan 1
    - L-3 Irrigation Plan 2
    - L-4 Landscape / Irrigation Details
    - L-5 Irrigation Details

- Task 2E - Specifications - Tetra Tech will provide a complete set of specifications, including list of bid items, construction schedule, front end specifications using the City's template, and technical specifications in CSI format.
- Task 2F - Construction Cost Estimates - Tetra Tech will provide an AACE Class 2 opinion of probable construction cost utilizing the RS Means and numbers for recent similar projects.
- Task 2G - Quality Assurance/Quality Control - Tetra Tech subjects all design documents to the Tetra Tech in-house QA/QC procedures prior to submittal to the City for review. Tetra Tech will check all design calculations, drawings, specifications, construction cost estimates, and reports. Tetra Tech will conduct an integrated design review of multidisciplinary documents to ensure coordination and prevent conflicts within the documents. Qualified and experienced individuals who are not directly involved in the design or supervision of the work will be assigned the reviews.
- Task 2H - Additional Engineering Design Services - 10-percent additional (Phase 2) design service hours are included as requested by the City, consisting of assumed hours for lead staff of multiple disciplines.
- Task 2I - WQMP - Tetra Tech will prepare a Water Quality Management Plan (WQMP), including a Best Management Practice (BMP) exhibit and corresponding BMP details. It is assumed that the project will not utilize infiltration style BMPs due to the presence of the reservoirs below most of the site, and the City will accept the determination of infiltration infeasibility without geotechnical testing. It is also assumed that the project will not be required to utilize harvest and use style BMPs, flow-through biotreatment BMPs will be utilized to meet the project's WQMP requirements, and the outlets from the flow-through biotreatment BMPs will be able to discharge as gravity flow. One draft and one final version of the WQMP report, exhibit, and details will be prepared. Following approval of the WQMP, Tetra Tech will incorporate the BMP layouts and details into the construction plans, specifications, and estimates.
- Task 2J - Permitting - Tetra Tech understands that permits will be required since the project site is located in the City of Upland. It is assumed that the following permits and reviews will be required: a) City of Upland Building and Safety Permit, b) City of Upland Building and Safety and Engineering Plan and Specifications Review of 60% and 90% Submittals.
- Task 2K (Optional) - Grant Funding Application Services - Tetra Tech will prepare draft applications for grant funding, and submit to City for review. Then, the permits will be uploaded and tracked in correspondence consisting of twelve (12) hours of Project Manager, and twenty four (24) hours of Engineer time.

SCHEDULE

Tetra Tech has reviewed current and planned workload schedules for our Project Team and are available to immediately begin work on this project. The following presents our proposed project schedule:

Tasks	Milestone Date
Notice-to-Proceed (Assumed NTP)	July 27, 2026
Technical Memorandum (6 weeks)	September 4, 2026
Receive City's TM Review comments (5 weeks)	October 9, 2026
Submit 60% Submittal (6 weeks)	November 20, 2026
Receive City's 60% Review comments (8 weeks)	January 15, 2027
Submit 90% Submittal (4 weeks)	February 12, 2027
Receive City's 90% Review comments (5 weeks)	March 19, 2027
Submit 100% Bid-Ready Submittal (4 weeks)	April 16, 2027

FEE

The fee for our services will be a not-to-exceed amount of $345,000, comprising of $51,740 for the Preliminary Design (Phase 1) and $293,260 for the Final Design Phase (refer to our "Price Proposal" for a fee breakdown). These fees will remain in effect for sixty days from the date of our proposal, after which they will be subject to re-evaluation.

Thank you for allowing us the opportunity to serve you. If you should have any questions, please do not hesitate to contact me at (949) 809-5095 or via email corey.hess@tetratech.com.

Sincerely,

Corey Hess, PE
Project Manager

Attachment

O:\Marketing\Proposals\Irvine\FY 2025\Ontario_CA_13thSt-ResRehabProj

EXHIBIT "B"
FEE AND PHASING/FUNDING SCHEDULES

1. FEE SCHEDULE.

Consultant will invoice City on a monthly cycle based on the following fee schedule. Consultant will include with each invoice a detailed progress report that indicates the amount of budge spent on each phase and the total amount spent against the Total Compensation. Consultant will inform City regarding any out-of-scope work being performed by Consultant for which Consultant intends to seek compensation from City.

Price Proposal

Revision Date:
Feb 11, 2026

13th Street Reservoir Rehabilitation

Seismic upgrade to the 13th Street Reservoir and additional services (pipelines replacement, landscaping, permitting)

Submitted to: City of Ontario - Ontario Municipal Utilities Company (Attn: Thomas Palmieri)

Contract Type: T&M

Labor Plan

12 Resource

Project Phases / Tasks	Schedule From	Schedule Thru	Schedule Months	Work Days Off	Work Days	Total Labor Hrs	Project Manager (Steve Tedesco)	Civil Project Manager (Corey Hess)	Civil Designer (Jodie Yu)	Civil Designer (Nicholas Mao)	CADD (William Johnson)	Structural Project Manager (Eric Yuen)	Structural Project Engineer (Jose Quiroz)	Structural Designer (Miguel Magpantay)	CADD (Eric Hutchins)	Civil Engineer (Heath Pray)	Site Project Manager (Justin Smith)	Site Engineer (Robert Agnew)
Bill Rate >							390.00	250.00	155.00	140.00	180.00	250.00	195.00	140.00	180.00	155.00	225.00	125.00
Proj Area >							Civil	Civil	Civil	Civil	Civil	Structural	Structural	Structural	Structural	Landscape	WQMP	WQMP
						1,765	20	136	200	176	76	97	256	214	165	179	54	192
Preliminary Design Phase	07/27/26	09/04/26	1.3	3	25	239	3	24	30	32	8	28	50	40	24	-	-	-
Task 1A - Technical Memorandum						221	3	20	30	22	8	26	48	40	24	-	-	-
Re-Analyze Reservoir						50						2	24	24				
Update Geotechnical Report						2						2						
Pipeline and Constructability Planning						22		4	8	10								
Grant Funding Research						6	2	2	2									
Prepare TM						48		8	8			12	12	8				
Revise Const Cost Est						12		2	4			2	4					
Conceptual Drawings						81	1	4	8	12	8	8	8	8	24			
Task 1B- Review Meeting						6		2				2	2					
Task 1C - Topographic Survey						3		1		2								
Task 1D - Utility Research						9		1		8								
Final Design Phase	09/05/26	04/16/27	7.2	16	144	1,526	17	112	170	144	68	69	206	174	141	179	54	192
Task 2A - Project Management						44	1	20	-	-	-	10	10	-	-	3	-	-
Kickoff Meeting						6	1	2				1	1			1		
Monthly Meetings (9 Total)						38		18				9	9			2		
Task 2B - Public Outreach Program						18	6	12										
Task 2C - Design Calculations						16		2	2	4		4		4				
Task 2D - Design Drawings						839	-	26	118	94	68	-	140	130	129	134	-	-
Title Sheet						9		1		4	4							
Vicinty Map						11		1		6	4							
Existing Site Demo, Stockpile / Laydown Plan						16		2	4	8	2							
Grading Plan						30		4	10	8	8							
Subdrainage Plan						16		2	4	4	6							
Grading Details 1						24		2	10	8	4							
Grading Details 2						24		2	10	8	4							
18" W Pipeline Plan and Profile						34		2	16	8	8							
6" Drain Pipeline Plan and Profile						34		2	16	8	8							
16" Overflow Pipeline Plan and Profile						34		2	16	8	8							
Pipeline Details 1						24		2	10	8	4							
Pipelines Details 2						24		2	10	8	4							
Pipeline Vaults / Details						26		2	12	8	4							
Structural General Notes						15							5	5	5			
Special Inspections and Observations						14							5	5	4			
Reservoir 1 Floor plan						30							10	10	10			
Reservoir 1 Roof Plan						30							10	10	10			
Reservoir 2 Floor Plan						30							10	10	10			
Reservoir 2 Roof Plan						30							10	10	10			
Reservoir 3 Floor Plan						30							10	10	10			
Reservoir 3 Roof Plan						30							10	10	10			
Reservoir Section 1						30							10	10	10			
Reservoir Section 2						30							10	10	10			
Structural Detail 1						30							10	10	10			
Structural Detail 2						30							10	10	10			
Structural Detail 3						35							15	10	10			
Structural Detail 4						35							15	10	10			
Landscape Plan						24										24		
Irrigation Plan 1						32										32		
Irrigation Plan 2						32										32		
Landscape / Irrigation Details						24										24		
Irrigation Details						22										22		
Task 2E - Specifications						94		10	20			6	18	12	8	16	4	
Task 2F - Cost Estimate						24		2	6			2	6			4	2	2
Task 2G - QA-QC Review						36	8	2				24				2		
Task 2H - Additional Engineering Services						167	2	18	24	20		15	24	24		16	16	8
Task 2I - Water Quality Management Plan						216	-	-	-	2	-	-	-	-	-	-	32	182
Draft WQMP						150											22	128
Final WQMP						42											6	36
BMP Details Addition to Plans						24				2							4	18
Task 2J - Permitting						36		8				8	8	4	4	4		
Task 2K - Grant Funding Application Services						36		12		24								
Totals	07/27/26	04/16/27	8.5			1,765	20	136	200	176	76	97	256	214	165	179	54	192

Price Summary / Totals

Task Pricing Totals	345,000
Total Price	**345,000**

Pricing by Resource

Project Phases / Tasks	Labor Rate Esc.	Labor	Subs	Travel	Mat'ls & Equip	ODCs	Task Pricing Totals
	0.00%	308,845	27,478	328	-	8,349	345,000
Preliminary Design Phase		**44,410**	**7,128**	**108**	**-**	**95**	**51,740**
Task 1A - Technical Memorandum		**41,120**	**3,300**	**-**	**-**	**-**	**44,420**
Re-Analyze Reservoir		8,540					8,540
Update Geotechnical Report		500	3,300				3,800
Pipeline and Constructability Planning		3,640					3,640
Grant Funding Research		1,590					1,590
Prepare TM		9,700					9,700
Revise Const Cost Est		2,400					2,400
Conceptual Drawings		14,750					14,750
Task 1B- Review Meeting		1,390					1,390
Task 1C - Topographic Survey		530	3,828	108		95	4,560
Task 1D - Utility Research		1,370					1,370
Final Design Phase		**264,435**	**20,350**	**220**	**-**	**8,254**	**293,259**
Task 2A - Project Management		**10,305**	**-**	**-**	**-**	**-**	**10,305**
Kickoff Meeting		1,490					1,490
Monthly Meetings (9 Total)		8,815					8,815
Task 2B - Public Outreach Program		5,340	20,350	220		505	26,415
Task 2C - Design Calculations		2,930					2,930
Task 2D - Design Drawings		**139,680**	**-**	**-**	**-**	**-**	**139,680**
Title Sheet		1,530					1,530
Vicinty Map		1,810					1,810
Existing Site Demo, Stockpile / Laydown Plan		2,600					2,600
Grading Plan		5,110					5,110
Subdrainage Plan		2,760					2,760
Grading Details 1		3,890					3,890
Grading Details 2		3,890					3,890
18" W Pipeline Plan and Profile		5,540					5,540
6" Drain Pipeline Plan and Profile		5,540					5,540
16" Overflow Pipeline Plan and Profile		5,540					5,540
Pipeline Details 1		3,890					3,890
Pipelines Details 2		3,890					3,890
Pipeline Vaults / Details		4,200					4,200
Structural General Notes		2,575					2,575
Special Inspections and Observations		2,395					2,395
Reservoir 1 Floor plan		5,150					5,150
Reservoir 1 Roof Plan		5,150					5,150
Reservoir 2 Floor Plan		5,150					5,150
Reservoir 2 Roof Plan		5,150					5,150
Reservoir 3 Floor Plan		5,150					5,150
Reservoir 3 Roof Plan		5,150					5,150
Reservoir Section 1		5,150					5,150
Reservoir Section 2		5,150					5,150
Structural Detail 1		5,150					5,150
Structural Detail 2		5,150					5,150
Structural Detail 3		6,125					6,125
Structural Detail 4		6,125					6,125
Landscape Plan		3,720					3,720
Irrigation Plan 1		4,960					4,960
Irrigation Plan 2		4,960					4,960
Landscape / Irrigation Details		3,720					3,720
Irrigation Details		3,410					3,410
Task 2E - Specifications		17,110					17,110
Task 2F - Cost Estimate		4,420					4,420
Task 2G - QA-QC Review		9,930					9,930
Task 2H - Additional Engineering Services		30,670					30,670
Task 2I - Water Quality Management Plan		**30,230**	**-**	**-**	**-**	**-**	**30,230**
Draft WQMP		20,950					20,950
Final WQMP		5,850					5,850
BMP Details Addition to Plans		3,430					3,430
Task 2J - Permitting		7,460				7,750	15,210
Task 2K - Grant Funding Application Services		6,360					6,360
Totals		**308,845**	**27,478**	**328**	**-**	**8,349**	**345,000**

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Information Technology Prepared By: Samantha Robles Staff Member Presenting: Colin Fernandes, Executive Director Information Technology Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 11

SUBJECT: **A PROFESSIONAL SERVICES AGREEMENT WITH NV5 GEOSPATIAL, INC., FOR GEOGRAPHIC INFORMATION SYSTEM (GIS) UTILITY NETWORK MIGRATION, TRIMBLE UNITY MAINTAIN IMPLEMENTATION, AND ONGOING GIS SUPPORT SERVICES**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute a Professional Services Agreement with NV5 Geospatial, Inc., of Sheboygan Falls, Wisconsin, for the following services:

A. Implementation services to upgrade and migrate the City's Cityworks work order and asset management system to the Trimble Unity Maintain Implementation, a cloud-based Software-as-a-Service (SaaS) platform, in an amount not to exceed $196,750; and
B. Configuration and migration of potable water, recycled water, and sewer GIS data to the Utility Network framework, in an amount not to exceed $502,500; and
C. Ongoing management services and premier support services for the City's enterprise GIS environment, in an amount not to exceed $772,600 and a total contract amount not to exceed $1,619,035, which includes a 10 percent contingency of $147,185 for a five-year term.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2025–26 Adopted Budget includes appropriations from the Information Technology Fund, the Information Technology Capital Improvement Project Fund, and the Ontario Municipal Utilities Company (OMUC) Enterprise Funds for consulting services. The proposed Professional Services Agreement includes implementation services to upgrade and migrate the City's Cityworks work order and asset management system to Trimble Unity Maintain, a cloud-based SaaS platform; configuration and migration of potable water, recycled water, and sewer GIS data to the Utility Network framework; ongoing management services and premier support services for the City's enterprise GIS environment; and a contingency for a five-year term. Please refer to Exhibit "A" for a detailed breakdown of the services and associated costs, for a total not-to-exceed contract amount of $1,619,035, which includes a 10% contingency of $147,185. The fixed billing rates specified in the Agreement will determine the amount charged for services and

reflect the actual services provided. If approved, appropriations will be added to future years' budgets consistent with the annual adoption process.

BACKGROUND & ANALYSIS: The City first engaged NV5 Geospatial Inc (NV5) in 2020 to assist with supporting and maintaining the City's ESRI-based GIS and the CityWorks-based Work Order and Asset Management System (WOMS) used by OMUC and the Public Works Agency (PWA). Subsequent amendments were made in 2021, 2022, and 2023 to extend the engagement term to July 31, 2026, and to increase the not-to-exceed amount to $700,000.

With OMUC's plan to advance its enterprise asset management strategy, there is a need to upgrade OMUC's GIS asset database, called the Utility Network (UN). The UN provides enhanced capabilities, including advanced network modeling, improved data validation, better integration with mobile applications, and enhanced analytical tools to enhance OMUC's ability to manage and maintain its water, wastewater, and sewer networks. Leveraging the new UN will require upgrading OMUC and PWA's WOMS. With the upgraded UN and WOMS, these systems will be integrated to provide improved workflows for service requests, work orders, inspections, and long-term asset planning. NV5 continues to provide specialized expertise and excellent support for the City's GIS and WOMS on an as-needed basis. NV5 is also an established partner with ESRI and has specific expertise with the UN. Their experience will be crucial to support this modernization effort and to provide on-going support for the City's GIS and WOMS. Staff requests City Council approval for a five-year term for a not-to-exceed amount of $1,619,035.

CITY OF ONTARIO
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PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
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DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
PROFESSIONAL SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered as of _____, by and between the City of Ontario, a municipal corporation organized under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City") and NV5 Geospatial, Inc., a Wisconsin Corporation with its principal place of business at N6216 Resources Drive, Sheboygan Falls, WI 53085 ("Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing **Implementation services to upgrade and migrate the City's Cityworks asset management system to the Trimble Unity Maintain Implementation, a cloud-based Software-as-a-Service (SaaS) platform, Configuration and migration of potable water, recycled water, and sewer Geographic Information System (GIS) data to the Utility Network framework, and Ongoing management services and premier support services for the City's enterprise GIS environment** services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such professional services for the **ArcGIS Utility Network Implementation services for water, recycled, and wastewater systems** project, and the **Implementation services to upgrade and migrate the City's Cityworks work order and asset management system** project ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A", Exhibit “B”, and Exhibit “C” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from June 1, 2026, to June 30, 2029, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than two additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Compensation.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A", Exhibit “B”, and Exhibit “C” attached hereto and incorporated herein by reference. The total compensation for the **ArcGIS Utility Network Implementation services for water, recycled, and wastewater systems project pursuant to Exhibit “A” shall not exceed one hundred ninety-six thousand seven hundred fifty dollars ($196,750)** and the total compensation for the **Implementation services to upgrade and migrate the City’s Cityworks work order and asset management system project pursuant to Exhibit “B” shall not exceed five hundred two thousand five hundred dollars ($502,500).** Moreover, the total compensation for the **Ongoing management services and premier support services for the City’s enterprise GIS environment pursuant to Exhibit “C” shall not exceed seven hundred seventy-two thousand six hundred dollars ($772,600) which includes $31,900 for year 1, $33,100 for year 2, $34,500 for year 3, $35,800 for optional year 4, $37,300 for optional year 5 and $600,000 for premier support services. In sum, the total compensation for all Services provided pursuant to Exhibit “A”, Exhibit “B” and Exhibit “C”, shall not exceed one million four hundred seventy-one thousand eight hundred fifty dollars ($1,471,850)** without the written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.2.2 Payment of Compensation. Consultant shall submit to City a monthly invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. City shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges. If the City disputes any of Consultant's fees, the City shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth therein. Payment shall not constitute acceptance of any Services completed by Consultant. The making of final payment shall not constitute a waiver of any claims by the City for any reason whatsoever.

3.2.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City, or included in Exhibit "A", Exhibit “B” and Exhibit “C” of this Agreement.

3.2.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

3.2.5 Foreign Data Processing Restriction. Consultant shall store, host, maintain, transmit, and process all Data–including, without limitation, any information relating to the City’s critical infrastructure systems such as potable water systems–solely on servers and systems physically located within the United States of America. Under no circumstances shall Consultant, its employees, agents, subcontractors, or affiliates store, transfer, replicate, process, or backup any Data outside the territorial boundaries of the United States of America.

a. Subcontractors and Third Parties. Consultant shall not engage any subcontractor, third-party service provider, or affiliate that would require or permit Data to be stored outside the United States of America. Consultant shall remain fully responsible for ensuring compliance with this provision by all such parties.

b. Material Breach. Any violation of this Section shall constitute a material breach of this Agreement. Upon such breach, the City may, at its sole discretion and without limitation to any other remedies available at law or in equity, immediately terminate this Agreement, require immediate remediation of the violation, and pursue legal action as necessary to protect the City’s interests and ensure compliance.

c. Notice Requirement. Consultant shall immediately notify the City in writing upon learning of any actual or suspected violation of this Section, including any unauthorized foreign storage processing, transmission, or access to data.

3.2.6 Automated Clearing House (“ACH”) payments. It is the City’s policy to pay its consultant invoices via electronic fund transfers through the ACH network. All payments due and owing pursuant to a properly issued and correct invoice or under this Agreement shall be made through electronic ACH transfers, unless otherwise agreed upon by both Parties in writing. Consultant shall provide the City with ACH payment details whereby the City shall initiate the ACH transfers to Consultant in the amount required pursuant to a properly issued and correct invoice or under this Agreement. Each Party shall undertake any and all required actions and execute any required documents, instruments, or agreements required to effectuate the requirements of this Section. In the event the City erroneously deposits funds into an account, or otherwise deposits funds to which Consultant is not entitled: (1) Consultant shall immediately notify the City and the financial institution; (2) Consultant shall not withdraw any of the funds which were erroneously deposited or to which Consultant is not entitled; and (3) Consultant authorizes both the City and financial institution to take all actions necessary to correct the error and return to the City all funds erroneously deposited or to which Consultant is not entitled.

3.3 Responsibilities of Consultant.

3.3.1 Independent Contractor; Control and Payment of Subordinates. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Any personnel performing the Services on behalf of Consultant shall not be employees of City and shall at all times be under Consultant's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultants officers, employees or agents, except as set forth in this Agreement. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.3.2 Schedule of Services. Consultant shall perform the Services in a prompt and timely manner and in accordance with the Schedule of Services set forth in Exhibit "A", “B”, and “C” attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services expeditiously. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.3.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.3.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows: **Paul Braun, Senior Vice President of Sales.**

3.3.5 City's Representative. The City hereby designates **Colin Fernandes, Executive Director, IT**, or his/her designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for review and approval of all products submitted by Consultant but not the authority to enlarge the Scope of Services or change the total compensation due to Consultant under this Agreement. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Scope of Services or change the Consultant's total compensation subject to the provisions contained in this Agreement. Consultant shall not accept direction or orders from any person other than the City Manager, City's Representative or his/her designee.

3.3.6 Consultant's Representative. Consultant hereby designates **Paul Braun, Senior Vice President of Sales**, or his/her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using

his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.3.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.3.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its subconsultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.3.9 Period of Performance.

3.3.9.1 Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A", "B", and "C" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Performance Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

3.3.9.2 Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Consultant and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the services and Agreement.

3.3.9.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

3.3.10 Laws and Regulations; Employee/Labor Certification.

3.3.10.1 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the City to terminate the Agreement for cause.

3.3.10.2 Employment Eligibility; Consultant. Consultant certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Consultant certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

3.3.10.3 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.3.10.4 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the South Coast Air Quality Management District (SCAQMD) and/or California Air Resources Board (CARB). Consultant shall indemnify City against any fines or penalties imposed by SCAQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its subconsultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

3.3.10.5 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251, *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq.*); and any and all regulations, policies, or permits issued pursuant to any such

authority. Consultant must additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. City may seek damages from Consultant for delay in completing the Services caused by Consultant's failure to comply with the laws, regulations and policies described in this Section, or any other relevant water quality law, regulation, or policy.

3.3.10.6 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.3.11 Insurance.

3.3.11.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

3.3.11.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Consultant, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

Consultant shall procure and maintain for the duration of the contract insurance against claims for security breaches, system failures, injuries to persons, damages to software, or damages to property (including computer equipment) which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. Consultant shall procure and maintain for the duration of the contract insurance claims arising out of their services and including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data.

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than $2,000,000 per occurrence and no less than $4,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than $2,000,000 combined limit for each occurrence.

(C) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than $1,000,000 per accident for bodily injury and disease.

(D) Cyber Insurance: with limits not less than $2,000,000 per occurrence or claim, $2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

(E) Technology Professional Liability Errors and Omissions: Technology Professional Liability Errors and Omissions Insurance appropriate to the Consultant's profession and work hereunder, with limits not less than $2,000,000 per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Consultant in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

a. The Policy shall include, or be endorsed to include, property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the City in the care, custody, or control of the Consultant. If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City

. If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

(F) If umbrella or excess liability coverage is used to meet any required limit(s) specified herein, the Contractor shall provide a "follow form" endorsement satisfactory to the City indicating that such coverage is subject to the same terms and conditions as the underlying liability policy.

3.3.11.3 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(A) Commercial General Liability: (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with

regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Consultant shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(B) Automobile Liability: (1) Additional Insured: The City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Vendor or for which the Vendor is responsible. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(C) Professional Liability (Errors & Omissions): (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) This insurance shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. “Covered Professional Services” as designated in the policy must specifically include work performed under this Agreement. The policy must “pay on behalf of” the insured and include a provision establishing the insurer’s duty to defend.

(D) Workers' Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

3.3.11.4 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.3.11.5 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

3.3.11.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured

retention.

3.3.11.7 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.3.11.8 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.3.11.9 Enforcement of Agreement Provisions (non estoppel). Consultant acknowledges and agrees that actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

3.3.11.10 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

3.3.11.11 Additional Insurance Provisions

(A) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(B) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(C) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(D) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of

this Agreement.

(E) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(F) Consultant shall report to the City, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

3.3.11.12 Insurance for Subconsultants. Consultant shall include all subconsultants engaged in any work for Consultant relating to this Agreement as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Consultant's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Consultant shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Consultant shall provide satisfactory evidence of compliance with this section upon request of the City.

3.4 Labor Code Requirements.

3.4.1 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4.2 Registration/DIR Compliance. If the Services are being performed on a public works project of over $25,000 when the project is for construction, alteration, demolition, installation, or repair work, or a public works project of over $15,000 when the project is for maintenance work, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and

1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants.

3.4.3 Compliance Monitoring. This Project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR. Any stop orders issued by the DIR against Consultant or any subconsultant that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against Consultant or any subconsultant.

3.4.4 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those Services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.6 Indemnification.

3.6.1 To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project

or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

3.6.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.7 General Provisions.

3.7.1 Accounting Records. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.7.2 Independent Contractors and Subcontracting.

3.7.2.1 Use of Consultants. Consultant is aware of statutory and case law regarding classification of workers as independent contractors, including California Labor Code Section 2750.3 and Dynamex Operations West, Inc. v. Superior Court, 4 Cal. 5th 903 (2018). To ensure that Consultant is in compliance with the California Labor Code, Consultant shall only utilize its employees to provide the Services. Consultant may not provide the services through any independent contractor, subcontractor or subconsultant ("Subcontractor(s)") unless approved by the City as set forth in Section 3.7.2.2 below. Consultant represents and warrants that all personnel who perform the Services on Consultant's behalf are Consultant's employees, and that Consultant complies with all applicable laws, rules and regulations governing its employees, including, but not limited to, the California Labor Code, Unemployment Insurance Code and all applicable Industrial Welfare Commission Wage Orders.

3.7.2.2 Prior Approval Required. Consultant shall not use any Subcontractor to provide the Services, or any portion of the work required by this Agreement, without prior written approval of City. In the event that City authorizes Consultant to use a Subcontractor, Consultant shall enter into a written agreement with the Subcontractor, which must include all provisions of the Agreement, including a restriction on the Subcontractor's use of further independent contractors, subcontractors or subconsultants without the City's prior written consent.

3.7.3 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant:	NV5 Geospatial, Inc. N6216 Resources Drive Sheboygan Falls, WI 53085 ATTN: Paul Braun, Senior Vice President of Sales
City:	City of Ontario 303 East "B" Street Ontario, CA 91764 ATTN: Colin Fernandes, Executive Director, IT

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.7.4 Ownership of Materials and Confidentiality.

3.7.4.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of City, and shall not be used in whole or in substantial part by Consultant on other projects without the City's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to City reproducible copies of all Documents & Data, in a form and amount required by City. City reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by City at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to City upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to City any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.7.4.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design

professionals other than Consultant or its subconsultants, or those provided to Consultant by the City.

3.7.4.3 Right to Use. City shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at City's sole risk. If City uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the City upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

3.7.4.4 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.7.4.5 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.7.4.6 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the release notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.7.5 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.7.6 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.7.7 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

3.7.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Bernardino County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against the City.

3.7.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.7.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.7.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.7.12 Assignment or Transfer. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Consultant shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.7.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of

reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.7.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.7.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.7.16 No Third-Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.7.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.7.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.7.19 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.7.20 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.7.21 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO AND
NV5 GEOSPATIAL, INC.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

NV5 Geospatial, Inc.

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

Exhibit "A"

February 26, 2026

Nina Kaivan-Mehr
Principal IT Analyst
City of Ontario
303 East B Street
Ontario, CA 91764

Dear Nina,

NV5 Geospatial, Inc. (NV5) is pleased to submit our proposal to migrate the current on-premise deployment of Cityworks to the SaaS-based Trimble Unity Maintain for the City of Ontario. As an industry leading solution for GIS-centric work and asset management, Unity Maintain is well positioned to help the City transition to the contemporary deployment pattern and maintain the desired enterprise asset management functionality.

NV5 is the world's leading provider of geospatial software and services. For over 33 years we have used geospatial technology to help state and regional organizations solve mission-critical challenges. Our asset management, permitting, and geospatial experts are driven to help our clients enact meaningful change across their communities and the world.

Why NV5?

- **Trusted Partner –** The City of Ontario and NV5 have an established and successful partnership through which NV5 provides enterprise GIS services, to include system/infrastructure support and core GIS expertise. We have an established MSA that dates back to 2023, providing an effective and flexible vehicle to support ongoing services.
- **Premier GIS & Trimble Provider –** NV5 has earned Platinum tier partnerships with both Esri and Trimble, making us the only vendor to have dual platinum status. Through our partnerships, we have deep relationships and elevated access to the respective software vendors, through which we represent our clients. The platinum status reflects our level of engagement, experience, and contribution within the technical community, which we offer to the City to help establish Trimble Unity Maintain as a GIS-centric enterprise solution layers atop the Esri software stack.
- **Breadth and Depth of Experience –** For over 50 years we have used geospatial technology to help state and regional organizations solve mission-critical challenges. Our geospatial experts are driven to help our clients enact meaningful change across their communities and the world.

We look forward to working with the City to support your GIS environment. Please contact me with any questions or if you require additional information.

Sincerely,

Sean Savage
Account Executive

NV5 is qualified, prepared, and can deliver the services needed to transition the City's enterprise asset management implementation to the contemporary deployment pattern (SaaS) and software version (Trimble Unity Maintain). As the largest geospatial services firm in North America, providing geographic insights to clients who desire location intelligence to mitigate risk, advance plans, and improve resource management.

Our client-focused teams are supported by a deep corporate bench intimate with geospatial technology and trends, including Enterprise Architects, Solutions Architects, Solutions Engineers, Geospatial Analysts, and more, working across 100+ offices in the United States.

Experience

NV5 has worked with governments at every tier (federal, state, and local agencies) in the country and in all 50 states. For over three decades, NV5 has been leading the way in enterprise implementation centered on location technology. Along the way, we have been fortunate to see our efforts yield a success rate that vastly exceeds industry averages, and as a result, have earned a reputation in the marketplace that has persisted even while the technology has changed dramatically. Our legacy strength was founded on a core development capability that remains central to our services today, but we have since broadened our focus to include diverse services that span every facet of the lifecycle of a GIS program. With our client implementations, we commonly see system and enterprise integrations evolve with organizational technological maturity and increasing sophistication of adoption.

Trimble (Cityworks) Experience

NV5 has been working with Cityworks for more than 18 years but officially launched our partnership in 2013. Just four years later, we achieved the highest tier available, becoming the only firm to hold a Platinum status with both Trimble and Esri.

NV5 is a full stack implementer, including AMS (now Unity Maintain), PLL (now Unity Permit), and the suite of associated add-ons. We support clients with original implementations, upgrades, expansions, and legacy system migrations. Further, we have developed more than 50 integrations with third-party solutions to establish cohesive, enterprise dataflows to support the entire asset lifecycle. Our implementations empower office and field users through web and mobile delivery to support work and asset management spanning many types of asset categories, as shown in the figure above. Ultimately, NV5 provides a GIS-centric approach and an advanced level of geospatial expertise combined with industry and domain knowledge to help guide each implementation to success.

Esri ArcGIS Experience

NV5 is one of only 18 Esri Platinum Partner firms globally (as is Trimble). Less than 1% of Esri partners worldwide have achieved this distinction. We have been an Esri Business Partner for 30 years and our Enterprise business unit is closely aligned with their vision and initiatives. In addition to Platinum Partnership, NV5 has achieved Esri specialty status for several solutions and Esri product areas:

Esri State and Local Government Specialty. Awarded to partners that specialize in and have a substantial record of success with developing and configuring ready-to-use solutions for local and state government clients.

Esri Network Management Specialty. GIS based network management for utilities, the new Utility Network (UN) management tool provides more functionality, added flexibility and advanced access to data. NV5 is the first Esri partner to receive the UN partner specialty designation for water utilities.

Esri ArcGIS Cloud Services. With the maturity of business systems comes a need for flexible and agile cloud environments and hybrid environments for business continuity and resiliency.

Esri Indoor GIS Specialty. An indoor mapping system connecting workspaces with employees and visitors.

Our experience has allowed us to understand the complexities and nuances of an ArcGIS implementation and the corresponding impacts the transition can have on client organizations. This experience and effort were recognized at the Esri 2023 Infrastructure Management & GIS (IMGIS) Conference, at which NV5 received a Utility Network Implementation Partner Award.

NV5's team of certified professionals has also worked with multiple customers of all sizes and complexities across the world to design a new, or modification of current, Enterprise Architecture, both on premise and in the cloud. NV5 was recognized as a leader in this area of expertise for our experience in cloud services at the 2023 Esri Partner Conference where we received Esri's Cloud System Implementation award for exceptional achievement.

Our Platinum partnership provides significant benefits for our clients, including enhanced professional services and industry knowledge. Our staff serve on the Esri Partner Advisory Council and Esri Product Advisory Group, allowing us to represent our clients and influence the trajectory of the various technology stacks. And, through this partnership, we gain access to early insights that allow us to position our clients for advances that may not yet be formally released. Additionally, we have access to escalated support, which we may leverage to address or prioritize the most challenging client issues.

Proposed Solution

NV5 delivers Trimble Unity Maintain through Trimble's secure Software-as-a-Service (SaaS) platform, offering a modern, GIS-centric enterprise asset management (EAM) solution that **evolves the Cityworks architecture into a next-generation, cloud-native platform**. Rather than a rebranding of legacy technology, Unity Maintain extends the proven Cityworks foundation with SaaS scalability, enhanced security, and future-ready capabilities aligned with Trimble's technology roadmap.

As part of this engagement, NV5 will guide the client through an upgrade-driven modernization process that includes:

- Upgrading the on-premise Cityworks environment from **15.x to most recent Cityworks version.**
- Performing a complete **Respond migration** (saved searches, inboxes, profiles, Storeroom, and reports)
- Transitioning the client to the **Unity Maintain SaaS platform**

Benefits of the SaaS Migration:

- Eliminates the need to host or maintain Cityworks on-premise
- Enhance system security, resilience, and operational availability
- Ensures forward compatibility with Trimble and Esri technology stacks
- Reduces long-term maintenance costs and infrastructure overhead
- Provides a scalable, future-ready platform for continued growth

Trimble Unity Maintain Platform

Unity Maintain offers a unified, scalable, and highly configurable platform designed to support end-to-end asset and work management processes. The system integrates tightly with Esri's ArcGIS Enterprise platform and provides enhanced automation, visibility, and reporting across asset lifecycles. The platform delivers a number of business-critical capabilities.

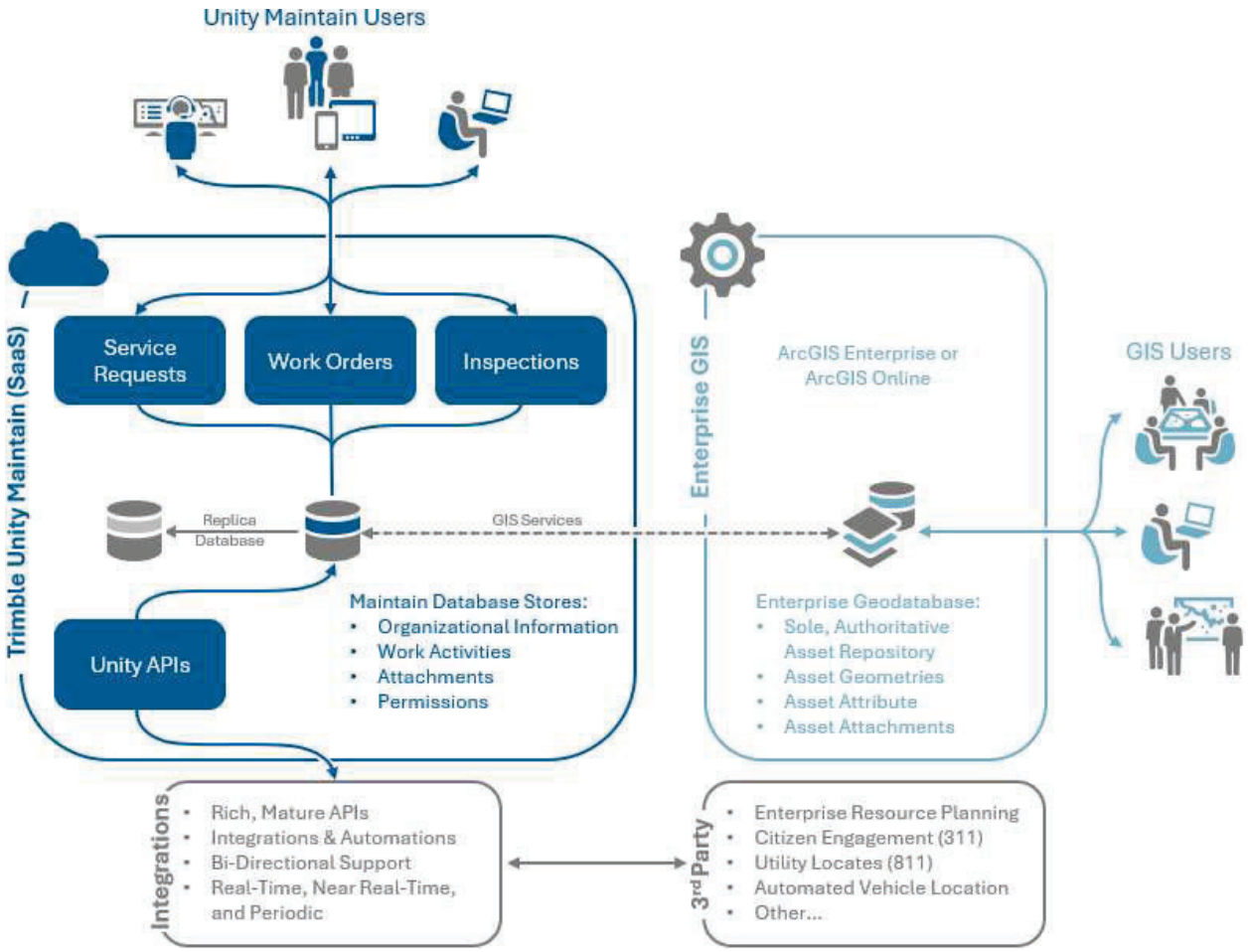
- ***Intelligent Service Request Management –*** Unity Maintain centralizes and automates customer-facing processes, ensuring high-quality and timely responses to public and internal requests. These tools help agencies improve responsiveness and reduce manual bottlenecks.
    - Automated service request routing
    - Conversion of public concerns into actionable work orders
    - End-to-end status tracking, from submission through resolution
- ***Advanced Work Order Management –*** The platform provides comprehensive tools for field and office personnel to efficiently plan, assign, execute, and track work. These capabilities give supervisors the visibility they need to manage resources effectively.
    - Precise task assignment and tracking
    - Detailed cost capture for labor, equipment, and materials
    - Capture accurate costs through equipment, labor, and materials tracking
    - Comprehensive cost analysis for improved resource planning
    - Real-time visibility into organizational performance and progress
- ***Data-Driven Inspection Management –*** Unity Maintain brings structure and data quality to inspection programs by transforming manual processes into structured, digital workflows. This ensures reliable inspection data and supports proactive maintenance strategies.

    - Digitized inspection workflows
    - Customizable inspection forms aligned to organizational procedures
    - Long-term condition tracking and trend analysis
    - Automatic GIS updates with condition scoring

- ***Project Management Tools*** – Unity Maintain provides **foundational project management capabilities** that support basic project creation, cost tracking, and visibility across related work activities. These tools enable organizations to monitor project-level costs and progress within the Maintain environment, while more advanced project analytics, forecasting, and reporting may be supported through complementary Trimble solutions such as **Unity OpX or Insights**, where licensed.
    - Centralized cost rollups for related activities
    - Real-time project budget monitoring
    - Sub-project dependency tracking
    - Comprehensive project cost reporting

- ***API Integration***
    - Standards-based API connectivity
    - Programmatic data access
    - Flexible integrations with third-party systems
    - Support custom applications and interfaces

The following diagram illustrates how Unity Maintain transforms your data into actionable intelligence.

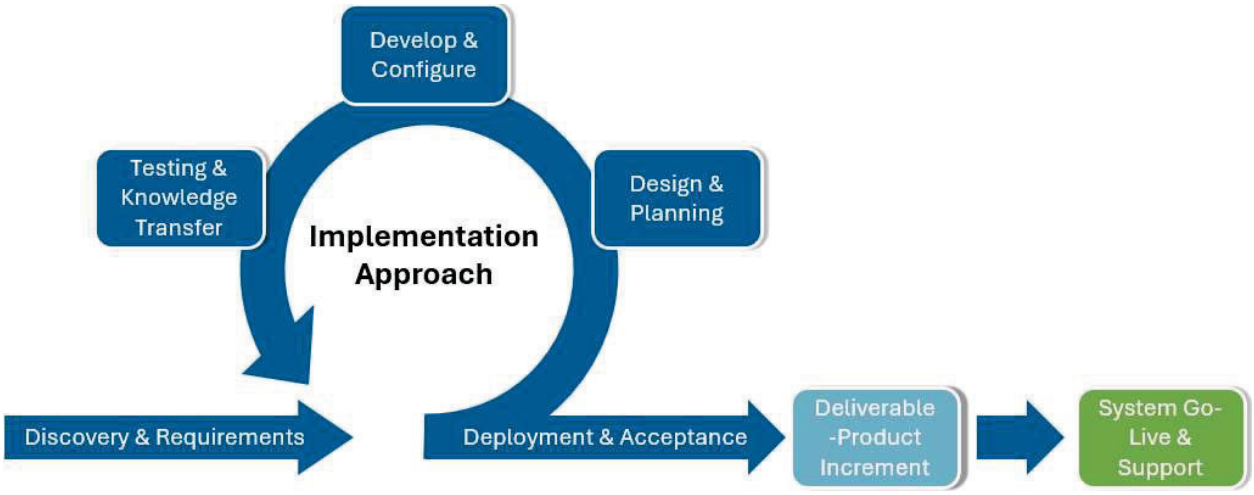


Proposed Implementation

NV5 is proposing to migrate the current on-premise deployment of Cityworks (version 15.8.9) into the Trimble Unity Maintain, a secure Software as a Service (SaaS) platform hosted by Trimble, thereby eliminating the overhead of self-hosting while ensuring enterprise-grade security and reliability. This transition conforms with contemporary deployment patterns and meets rigorous IT standards for security, redundancy, and resiliency while supporting seamless integration with your GIS environment through Esri ArcGIS Enterprise.

Project Management Approach

NV5 has an established approach to project management and delivery that has proven adaptable to diverse technical engagements, including the implementation of the Trimble Unity Maintain. Our strategy leverages an agile mindset to allow for flexibility and real-time feedback. We utilize a supportive project management office (PMO) to create standardized project management experiences by providing project managers with appropriate templates, training, and fluency with industry best practices. This approach has proven successful across the diverse NV5 portfolio of services. Project management occurs continuously from contract award through project closeout and centers on the coordination, communication, collaboration, facilitation, analysis, and reporting of all project work.



- ***Project Initiation*** – The initiation process begins immediately upon award and continues through to the kick-off meetings (internal and client) through which we make sure the entire team is introduced to the scope and is collaboratively working toward a shared vision of success. During project initiation, the team will establish a schedule that considers the collective team goals, availability, and constraints, which will become the baseline for subsequent management and reporting. Likewise, we will establish a communications plan to confirm the collective team understands who should be addressed and copied on correspondence of various types, along with an aggregated compilation of corresponding contact information.
- ***Recurring Meetings*** – During the project kick-off, the team will determine the desired cadence for recurring status meetings, which may vary throughout the project based on the volume, intensity, or criticality of technical tasking. During the status meetings, NV5 will facilitate conversations related to progress against the scope, upcoming activity and dependencies, technical or logistical decisions, and review of risks and mitigation strategies. For each meeting, NV5 will prepare an agenda in advance of the review and provide succinct meeting minutes following the call. Status meetings are intended to focus on the parameters of execution among respective project leadership

teams and are typically distinct from technical and working meetings. As such, technical participation may vary throughout the course of the project, as necessary.

- ***Tracking, Analysis, & Reporting*** – NV5 employs a suite of processes and tools to facilitate our project management approach and support ongoing tracking of scope, schedule, budget, and sentiment. These insights are regularly communicated and form the basis of the monthly status report.
- ***Acceptance & Closure*** – Throughout the duration of the project, the NV5 PM will facilitate ongoing discussions around acceptance criteria. This iterative approach ensures stakeholders remain aligned throughout the project lifecycle, enabling timely feedback, higher satisfaction, and minimizing surprises.

Leveraging our established project management structure and tools, NV5 will guide an equally robust and proven implementation pattern to design, develop, and deploy the proposed solution, as illustrated in the figure below.

Key Project Management Activities:

- Project Initiation
- Status Meetings and Reporting
- Tracking, Analysis & Reporting
- Quality, Change & Risk Management
- Acceptance & Closure

Deliverables:

Kick-Off Meeting with Agenda & Minutes

Project Coordination Guidance (Communications, Responsibilities)

Project Status Reporting
- Bi-Weekly (Every 14-Days) Status Meetings
- Monthly Status Report

Technical Approach

NV5 leverages a structured, repeatable technical methodology aligned with Unity Maintain implementation standards. This approach ensures that all system prerequisites, integrations, and configurations are completed efficiently and validated thoroughly. Each phase of the implementation builds upon the previous one, following a structured, sequential approach that guides the project from initial planning and readiness through design, configuration, testing, and final production release. This phased methodology ensures that technical dependencies, functional requirements, and integrations are addressed in a deliberate order, allowing each stage to be validated before progression. By advancing through clearly defined phases, NV5 ensures the upgraded and migrated system remains stable, thoroughly tested, and fully prepared for production deployment. The technical steps include:

- **Planning & Readiness** – Environment assessments, upgrade readiness validation, and Requirements Workshops
- **Preliminary Cityworks Upgrade (On-Premises)** – Upgrade to latest Cityworks version

- **Respond Migration** – Migration of searches, profiles, Storeroom (if used), and reports with internal testing
- **GIS Services Externalization** – Republish services to an externalized ArcGIS Portal and configure SSO
- **Unity Maintain Migration** – Coordination with Trimble OpsSRE, backup delivery, deployment validation, and mobile configuration. Functionality and integration testing and validation
- **Integration Validation & Configuration** – Lower tier configuration updates for MyOntario and WindStorm integrations
- **User Acceptance Testing (UAT)** – Two test cycles with iterative revisions
- **Final Implementation** – Final training and SaaS cutover coordinated with Trimble SRE team
- **Stabilization** – Post implementation support period

Planning & Readiness

This initial phase lays the foundation for a successful migration by thoroughly evaluating system dependencies, technical prerequisites, user workflows, and GIS architecture. The NV5 upgrade/migration process begins with a structured planning effort to validate the current Cityworks and ArcGIS environments and ensure a seamless preliminary migration to Cityworks 23.x (currently 23.14), a required step that will precede the transition to Unity Maintain. This evaluation confirms compatibility/compliance across the application stack and helps to identify any gaps that must be addressed before continuing.

NV5 will facilitate a series of requirements gathering discussions designed to validate our understanding of the current Cityworks implementation, supporting environment, and related business system integrations. These conversations establish a shared understanding of business processes, configuration requirements, departmental workflows, and system dependencies—all of which inform a well-defined migration and transition plan.

The combination of technical evaluation and collaborative workshop sessions provides a clear roadmap for the migration, ensuring alignment on expectations, requirements, and future-state design. This structured readiness approach enables NV5 and the client to move into the upgrade and migration phases with confidence, clarity, and a validated execution plan.

Readiness Focus Areas

These readiness discussions allow NV5 to gather detailed business, technical, and operational/configuration requirements to shape the migration plan.

- Service request, work order, and inspection workflows
- Asset management needs and GIS dependencies
- Inboxes, queries, profiles, and reporting requirements
- Department-specific operational processes
- Integrations

Upgrade Prerequisites

To support the upgrade and migration, the technical environment must meet the following minimum system requirements:

- ArcGIS Enterprise 11.4+ or ArcGIS Online
- Windows Server 2016+ (recommended: Windows Server 2022)*
- SQL Server 2014+ (recommended: SQL Server 2019, ≥32 GB RAM)*

- ASP.NET 9 and IIS 10.x*
    - *Required to support Cityworks Upgrade Step, Not required for Unity

Deliverables:

Upgrade Prerequisite Checklist

Workshop Documentation & Migration Plan

Preliminary Upgrade (On-Premises)

Upgrading the existing Cityworks 15.8.9 environment to Cityworks 23.14.1 is a critical prerequisite to ensure database, plugin, and component compatibility before the Unity Maintain migration. This upgrade ensures that all underlying system components align with the Unity Maintain technical requirements and that the platform can be cleanly migrated into the Trimble SaaS environment.

The upgrade process begins following the validation of prerequisite system configuration, including confirmation of supported ArcGIS, Windows Server, SQL Server, and IIS versions. NV5 will initiate the upgrade using standard Trimble tools and procedures. This includes executing the **Database Manager** to apply required schema updates, running the **Data Migration Manager** to migrate legacy structures to the Cityworks 23.x format, and upgrading all relevant plugins to ensure end-to-end compatibility. These steps modernize the application while preserving existing operational logic and configurations.

Following the technical upgrade, NV5 will conduct initial internal testing to validate system stability, plugin functionality, core workflows, and related components. After the NV5 internal validation is complete, the upgraded environment will be released to the City for functional testing. During this phase, designated City stakeholders can review workflows, identify revisions, and document necessary updates. NV5 will adjudicate the findings and take appropriate actions until the upgraded environment meets operational expectations.

This process is repeated across each applicable environmental tier, following the same structured upgrade, testing, and validation cycle to promote repeatability, reliability, and smooth progression toward the Unity Maintain migration.

As part of the upgrade to 23.14.1, Cityworks users will retain access to Cityworks Office (Companion), which offers all of the same functionality Office users have today, but without a direct link to Respond and Mobile. As such, NV5 does not anticipate significant impact to end users, beyond limited downtime during the coordinated window to facilitate the upgrade.

Deliverables:

Environmental Validation, Coordination, & Prep

Lower Tier Upgrade from Cityworks 15.8.9 to Cityworks 23.14.1

Production Tier Upgrade from Cityworks 15.8.9 to Cityworks 23.14.1

Respond Migration

After the preliminary upgrade of the Cityworks version is complete, the transition path shifts to a migration from Office and its associated components and functionality to Respond. This phase modernizes operational workflows, particularly those tied to the user experience, and aligns configuration and adoption to Cityworks standards in preparation for the transition into Unity Maintain.

During this phase, *saved searches* from the legacy Office environment identified during the workshops are migrated into *queries*, ensuring continuity of user-defined filters and operational logic. *Inboxes* marked for migration in the workshops are reconfigured into *dashboards*, providing a modern, consolidated view of actionable information. *Style profiles* are built to ensure consistent visual and functional behavior across the updated interface, while Crystal Reports are converted to Active Reports to align with the supported reporting framework in Cityworks 23.x and Unity Maintain.

Additionally, custom XML is migrated to the updated Style equivalent such that tailored configurations remain functional after the upgrade (*Note: no custom coding is included in this proposal for XML modifications that are not directly supported by Style profile changes*). Where the City uses mobile components, mobile inbox updates will be applied to support continued compatibility. Where applicable, Storeroom configurations and data structures are also migrated to align with the upgraded environment and support inventory-related workflows.

When all migrations and configuration updates are completed, NV5 performs comprehensive internal testing and validation of the upgraded Respond environment. This includes checking query behavior, dashboard performance, report rendering, and customized components to confirm readiness before the environment is released for client testing.

Deliverables:

Respond Migration

- Up to150 Saved Searches (Migrated to Queries)
- Up to 20 Inboxes (Migrated to Dashboards)
- Up to 5 Style Profiles Created (XML Conversion)
- Up to 40 Hours for Active Reports (Conversion from Crystal Reports)
- Up to 130 Storerooms (10 Unique/120 Rolling)

GIS Services Externalization

Unity Maintain relies on GIS services published and hosted by the City to support the available and embedded geospatial functionality. To accommodate the transition to the SaaS-based Unity platform, the GIS services must therefore be externally accessible. Currently, the City has the GIS services feeding the Cityworks environment published to an Esri environment that is only accessible internally or when connected to VPN. NV5 Will work with the City to republish, secure, and validate the same ArcGIS services to the existing, externally exposed GIS environment so support the transition to Unity Maintain. An inventory of GIS services will be compiled during the requirements-gathering workshops, which will guide re-publication to the externalized ArcGIS Portal environment.

As part of this step, NV5 will also configure single sign-on (SSO) integration between Cityworks and the Esri identity provider for the City, enabling seamless authentication and preserving security policies and allowing users to access GIS resources without disruption. The Esri-based authentication configuration

supports the Unity Maintains SaaS architecture and enforces standardized user access patterns across platforms.

Following the services republication and SSO authentication configuration, NV5 will validate end-to-end connectivity between the upgraded Cityworks environment and the externalized GIS services. Permissions and sharing settings will be updated, as needed, to retain proper access levels, service visibility, and alignment with operational workflows. This validation step will confirm that the GIS foundation is both functional within the upgraded Cityworks deployment and ready for the Unity Maintain.

At this point, City users will be able to continue using Cityworks Office, which is referred to as Office Companion in the 23.x release but contains all of the same functionality and will not require user training or orientation.

Deliverables:

- GIS Services Externalization
- Single Sign-On Configuration (Collaboration with Client GIS/IT)

Unity Maintain Migration (Sandbox)

To initiate the transition to Unity Maintain, NV5 will collaborate closely with the Trimble OpsSRE (Site Reliability Engineering) team to establish and validate the Unity Maintain environments. Migration from Cityworks 23.x to Unity Maintain requires coordinated effort from the collective NV5 and Trimble team. Trimble OpsSRE will ultimately be responsible for tasks within the Unity SaaS environment, including provisioning both the Sandbox and Production tiers, as well as uploading and deploying required system configuration elements.

As part of this coordination, NV5 will prepare and provide the necessary backup files, configuration packages, and user access information to OpsSRE for deployment into the designated Unity Maintain environments, starting with Sandbox (N*ote: Trimble allows up to two requests to load data to the Sandbox tier as part of the migration process*). NV5 will work in lockstep with the OpsSRE group to coordinate and validate that all components are properly transferred according to the established migration plan.

When Trimble has completed deployment to the Sandbox tier, NV5 will perform a comprehensive validation of the Unity Maintain environment, to include reviewing configuration accuracy, confirming operational compatibility with migrated data and workflows, testing functional components/integrations, and verifying system behavior within the SaaS framework. NV5 will also configure the Unity Field Mobile application to enable field personnel to access and interact with Unity Maintain via mobile devices.

The approach to migrating to the Maintain SaaS environment is structured and well documented in a standard operating procedure (SOP) developed by Trimble. NV5 will facilitate the requisite coordination, validation, and configuration throughout the process in accordance with the Trimble guidelines to make the transition successful and position the City for effective adoption.

Deliverables:

- Unity Maintain SaaS Deployment
- Unity Field Mobile Configuration

Integration Validation & Configuration

System integrations support the flow of data into and out of Cityworks/Trimble to provide enhanced organizational insight and system functionality. The City has communicated two third-party solutions currently integrated with Cityworks, including MyOntario (311) and WindStorm. As part of the transition to Unity Maintain, NV5 will work with the City to examine the deployment of each integration with the assumption that the respective integration configurations can be updated without core code modifications. The integrations will be updated to reference the SaaS-based Trimble APIs in contrast with the current on-premise Cityworks APIs, though the APIs themselves are fundamentally very similar.

To support this effort, NV5 will work with the City to either access lower tier environments for the third-party systems (MyOntario and WindStorm) or establish a method to test functionality without adversely affecting production users.

Deliverables:

Integration Validation/Configuration (Up to 40-Hours)

User Acceptance Testing

User Acceptance Testing (UAT) is intended to provide designated/power users with hands-on experience with the new interfaces (e.g., Respond, Field) to support validation of system functionality, identify refinements, and confirm readiness for production release. The UAT process begins with a preliminary training event facilitated by NV5, designed to orient and prepare power users for effective testing. This session introduces key Unity Maintain and Respond functionality, navigation, and configuration concepts, empowering testers to confidently evaluate the system.

Following the preliminary training, testers will be given access to the Unity Maintain Sandbox environment to support a comprehensive, scenario-based review of the upgraded and migrated configuration. Power users can explore real-world workflows, validate functionality, and assess usability across service requests, work orders, inspections, GIS interactions, integrations, and administrative components. This evaluation is the foundation of an iterative improvement cycle.

The testing period will be comprised of two (2) cycles, each spanning five (5) business days. Feedback collected/aggregated and reconciled by the City will be provided to NV5 after each cycle, though interim delivery may be accepted with mutual agreement. City feedback will be recorded within Jira, the NV5 issue tracking system, to provide structured tracking, transparency, and accountability. Each round of feedback is reviewed and categorized to identify appropriate actions based on the defined scope, with some items potentially tagged for future-phase consideration. NV5 will then iterate through configuration revisions, implementing changes aligned with the project scope.

Note: The proposed transition to Unity Maintain does not include any changes or functional enhancements to the existing configuration beyond those that may be required to sustain and persist current Cityworks capability. In the unlikely event that existing functionality or system behavior is not supported within Trimble Unity Maintain, NV5 is not responsible to recreating that functionality via customization or enhancement and instead will report the discrepancy to Trimble to consideration.

This iterative test–refine–validate cycle continues through the designated UAT cycles, after which the system configuration will be considered accepted and approved for production release.

Deliverables:

- Virtual/Remote Preliminary Training (Up to 16-Hours)
- Testing & Feedback Cycle (2-Cycles Spanning 5-Days Each)
- Final Configuration Acceptance

Final Implementation

The Final Implementation phase includes structured training, technical preparation, final account configuration, and go-live support to accommodate a smooth transition to production. Through this process, NV5 will also equip client staff with the skills needed for ongoing system administration.

As part of final readiness activities, NV5 will complete the required technical logistics related to deployment, including additional coordination with the Trimble OpsSRE team to finalize the Production tier SaaS environment and performing system cleanup tasks such as purging test records and accounts. The steps and incremental changes identified through the Sandbox environment will be reproduced according to established documentation and process to create a Production environment that is clean, stable, and aligned with the approved configuration.

Final training is delivered using a train-the-trainer model, supporting an agreed upon number of designated users (typically 10 to 15). The train-the-training approach establishes strong internal expertise, enabling the City to sustain long-term training efforts and efficiently onboard future staff. By empowering internal trainers, NV5 helps establish Unity Maintain institutional knowledge and skills that can remain durable, scalable, and embedded within the operational structure of the City.

Deliverables:

- Onsite Final Training (5-Days)
- Production Release & Go Live!

Stabilization (Post Implementation)

NV5 recognizes that system adjustments may be needed as your team transitions to Unity Maintain for daily operations. As such we have included a period of stabilization during which we will provide post-implementation support to address emerging needs and support the successful adoption with the new platform.

Deliverables:

- Post Implementation Support (Up to 12-Hours within 15-Business Days of Production Release)

Schedule

During project initiation activities, NV5 will coordinate the schedule for transition to accommodate City objectives, staff availabilities/constraints, and inter-dependence with other projects (e.g., Utility Network

Implementation). Until then, this proposal includes an estimated period of performance of up to six (6) months. Minor deviations will be considered with mutual agreement, however, a significant extension may require a change order to support ongoing coordination and facilitation.

Assumptions

Successful implementation of Unity Maintain relies on strong partnership between NV5 and your organization. The following assumptions outline how we work together effectively to achieve your objectives and maximize the value of your investment:

General

- All work will be performed remotely, unless explicitly stated otherwise.
- The City will provide remote access (VPN or similar solutions with comparable security and performance), if necessary to complete the proposed tasking.
- All licensing will be procured and provided by the City, including Esri, Unity Maintain, and any other third-party platform(s).
- The City will have a functional and compatible GIS environment (ArcGIS Enterprise or ArcGIS Online) capable of publishing the requisite GIS data via services.
- Software versions associated with the implementation, including Esri and any source/dependent system, will not be altered or upgraded during the implementation period without mutual agreement from NV5.
- Defects, bugs, or issues identified within the project and attributed to third-party software are beyond the proposed scope given that NV5 is unable to alter the corresponding source code. The defect will be reported to the respective vendor.
- Functional or behavioral differences between the current Cityworks deployment and Unity Maintain will be reported to Trimble, but will not be considered within scope for NV5 to resolve.
- Functional requirements that emerge or evolve during the project (items not explicitly referenced in the requirements documentation or scope) may require a change order or may be noted for development in a subsequent phase or project.
- NV5 will not be responsible for configurations changes to alter, enhance, or extend current functionality as part of the transition to Unity Maintain.
- NV5 will not be responsible for cartographic, behavioral, or content changes within the GIS services consumed by Cityworks/Unity Maintain.
- The capacity of the City staff to independently administer, configure, or extend Unity Maintain is partially dependent on technical skill and aptitude of participating staff.

Onsite Activities

- Appropriate facilities will be available with a projector, workstations, internet/WiFi access, whiteboard (or similar brainstorming tools), and adequate space for workshops and training.
- The City will coordinate the schedules of key stakeholders and designated participants in any onsite activity, including workshops and training events.

System Integrations

- The City has only two (2) system integrations, including MyOntario and WindStorm.
- The integrations can be transitioned to Unity Maintain with configuration changes only and NV5 will not be responsible to core code revisions as part of the proposed scope of services.

Price Proposal

NV5 is pleased to submit a proposal for the implementation of Trimble Unity Maintain for the City of Ontario. The scope described above is offered to the City as a Fixed Price (FP) contract.

TASK	PRICE

Trimble Unity Maintain Implementation
• Readiness Planning
• Preliminary Cityworks Upgrade (On-Premise 15.8.9 to 23.14)
• Respond Migration
  • Saved Search Migration to Queries (Up to 150)
  • Inbox Migration to Dashboards (Up to 20)
  • Style Profiles Creation (Up to 5 Profiles)
  • Crystal Reports Conversion to Active Reports (Up to 40-Hours)
  • Storeroom Migration (Up to 130)
• GIS Services Externalization & SSO Configuration
• Unity Maintain Sandbox Deployment & Configuration
• Integration Validation & Configuration (Up to 40-Hours)
• Preliminary Training (Up to 16-Hours Remote)
• Final Training (5-Days Onsite)
• Stabilization /Post Implementation Support (Up to 12-Hours within 15-Business Days)
	$ 196,750

Total	**$ 196,750**

***OPTIONAL* ADDITIONAL TRAINING (Fixed Price)**	**PRICE**
5-Days Onsite Training • Curriculum Updates/Finalization • Logistics & Coordination • Onsite Training (5-Days; 2 NV5 Staff Members) ***Note**: NV5 recommends 2-staff members onsite for training to support any volume of staff, including one person and instruct/demonstrate and another to roam the training room to support individuals. We can discuss the impact on the training experience with a 1-staff member option at a correspondingly reduced price. Weekly price is valid only as part of the proposed Trimble Unity Maintain Migration project.*	$ 34,500/wk
Weekly Training Rate	**$ 34,500/wk**

***OPTIONAL* PREMIUM SUPPORT (Time & Materials)**	**PRICE**
Trimble Unity Maintain Configuration Optimization • NV5 Premium Support allows the City continued access to the NV5 Trimble implementation experts to update, modify, enhance, or otherwise help to optimize the existing configuration to improve user experience and functional adoption. • NV5 suggests a baseline consideration for Premium Services of $25,000 (roughly equivalent to 100 hours +/-). • Premium Support Services are valid for up to 6-months from the release of Trimble Unity Maintain into production by NV5. • Premium Support is offered as Time & Materials task leveraging the hourly rates established in the mutually executed MSA on February 7, 2023.	$ 25,000
Total	**$ 25,000**

1. The Agreement. This Agreement between the parties, which shall describe and govern Client's engagement of Consultant to provide services (referred to herein as "Services") identified in the Proposal, consists of the Proposal, these General Terms and Conditions, Consultant's pricing, and any exhibits or attachments referenced in any of these documents. Together these elements constitute the entire agreement between the parties, superseding any and all prior negotiations, correspondence, or agreements, either written or oral, with respect to the subject matter of this engagement.

2. Standard of Care. The parties will consult and cooperate to coordinate Services with the activities of Client employees and other representatives. The Services shall be performed in a manner consistent with the level of care and skill ordinarily exercised by members of Consultant's profession currently practicing under similar conditions and in the same locality as the Project. Consultant shall not be responsible for the use or interpretation of such information by non-parties to this Agreement. Consultant shall not be held liable for problems that may occur if Consultant's recommendations are not followed. In performance of Services and this Agreement, Consultant will comply in general accordance with applicable laws, ordinances, rules, regulations, orders, licenses, permits, and other governmental requirements (including, but not limited to, such requirements imposed on Client with respect to Services).

3. Schedule. Consultant will use best efforts to perform Services in accordance with agreed upon schedule. Consultant is not responsible for delays as a result of acts of God, earthquake, fire, explosion, flood, the elements; strikes, lockouts, boycotts, picketing, labor disturbances or differences with workers; acts of the public enemy, war, rebellion, riots, acts of the government (federal, state, or municipal); shelter in place, quarantines, work restrictions or related government orders or mandates arising from or in connection with pandemics including COVID-19 (coronavirus), weather conditions adversely affecting aerial acquisition, flight clearances for access to air and space, aviation security restrictions, equipment failures or interruptions in communications systems; or any cause whatsoever beyond the control of the party in default. When such delays beyond Consultant's reasonable control occur, Client agrees Consultant shall not be responsible for damages nor shall Consultant be deemed to be in default of this Agreement. Further, when such delays occur, Client agrees that, to the extent such delays cause Consultant to perform extra services, such services shall be paid for by Client as extra services in accordance with paragraph.

4. Changes. Client may make changes in Services within the general scope of this Agreement (including, but not limited to, additions to or deletions from Services, suspension of performance, and

changes in schedule) by giving Consultant written notice of the same. If a change causes an increase or decrease in the time or costs required to perform Services according to this Agreement, the schedule and compensation for such Services will be equitably adjusted to reflect such increase or decrease, and the Agreement will be amended in writing accordingly.

5. Additional Services. Client agrees that if Client requests services not specified in the scope of services described in this Agreement, Client will pay for all such additional services as extra services, in accordance with Consultant's billing rates utilized for this Agreement, or as identified via an amendment to the original Agreement.

6. Billing and Payment. Consultant will issue progress invoices, including applicable taxes, thereafter to Client as work is performed, but no more frequently than weekly. Undisputed progress invoices are payable by Client thirty (30) days after receipt of the invoice. Where the method of contract payment is based on a time-and-materials basis, the minimum time segment for the charging of work is one half hour. Salary increases will become effective immediately upon Consultant's authorization and will be reflected in the next invoice submitted to Client. All payments will be made in United States Dollars. If Client objects to all or any portion of any invoice, Client will so notify Consultant in writing within ten (10) calendar days of the invoice date, identify the cause of disagreement, and immediately pay that portion of the invoice not in dispute. In the absence of written notification described above, the balance as stated on the invoice shall be deemed accepted. Invoices are delinquent if payment has not been received when due as set forth in this Section. In such an event, Client shall pay an additional charge of one and one-half (1.5) percent per month (or the maximum percentage allowed by law, whichever is lower) on any delinquent amount. Payment thereafter will first be applied to accrued interest and then to the principal unpaid amount. Consultant shall also be entitled to recover for all costs and expenses incurred (including any attorney's fees) in connection with collection of any delinquent amount. Consultant reserves the right to withhold all reports or deliverables and suspend any and all services, including but not limited to a stop work order on the project, unless and until payment is made by Client in accordance with this Agreement.

Should Consultant be subpoenaed or called upon to testify for or on behalf of the Client or for consulting services on matters arising out of or related to the Work, Client shall compensate Consultant for its time at a rate of two times (2x) the Consultant's standard billing rates.

7. Site Access and Conditions. Client will provide Consultant access to the Project site for all equipment and personnel necessary for the performance of the Services. As required to effectuate such access, Client will notify all owners, lessees, contractors, subcontractors, and other possessors of the Project site that Consultant must be allowed free access to the site. While Consultant agrees to take reasonable precautions to minimize damage to the site, Client understands that, in the normal course of performing the Services, some damage may occur, and further understands that Consultant is not responsible for the correction of any such damage unless so specified in the Proposal.

Client agrees that in accordance with generally accepted construction practices, the construction contractor and construction subcontractors will be required to assume sole and complete responsibility for job site conditions during the course of construction of the project, including safety of all persons and property, and that this requirement shall apply continuously and not be limited to normal working hours. Neither the professional activities of Consultant nor the presence of Consultant or his or her employees or subconsultants at a construction site shall relieve the contractor and its subcontractors of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the work of construction in accordance with the contract documents and applicable health or safety requirements of any regulatory agency or of state law.

8. Reports. If requested by Client and agreed to by Consultant, Consultant will prepare and submit to Client a written report describing Services performed during the prior month and Services planned for the current month.

9. Confidential Information. Information acquired by Consultant in connection with Services (from Client or a third party or developed by Consultant) and not generally available to the public will constitute confidential information of Client (*Confidential Information*). "Confidential Information" shall include any

and all oral, written or electronically transmitted information of a proprietary nature which is either owned by the Parties, or owned by any affiliate of the Parties and licensed to the other Party, including, but not limited to, any information relating to services or products that is not generally available to the public, including without limitation, identification of customers; business methods, strategies and practices; internal operations; pricing and billing; financial data; costs; personnel information; customer and supplier contacts and needs; sales lists; technology; software; computer programs; computer systems; inventions; patents-pending; product development; trade secrets of any kind; any information designated as confidential by either Party or that Party's clients; and all oral, written or electronically transmitted information learned by the receiving Party from the disclosing Party's employees, agents, or through inspection of the other Parties' property, that relate to the categories of information listed above. Confidential Information shall not include information that (i) is now or subsequently becomes generally available to the public through no fault or breach of this Agreement on the part of the receiving Party; (ii) the receiving Party can demonstrate to have had rightfully in its possession prior to disclosure by the other Party; (iii) is independently developed by either Party without the use of any Confidential Information; or (d) the receiving Party rightfully obtains from a third party who has the right to transfer or disclose it without a duty of confidentiality and/or nondisclosure.

Consultant will use and disclose Confidential Information only as reasonably required for performance of Services in accordance with this Agreement or as otherwise authorized in writing by Client. Consultant will not publish Confidential Information without prior written consent of Client. Without limitation of the foregoing, Consultant will not divert or misappropriate Confidential Information for Consultant benefit or the benefit of a third party. Consultant will take appropriate steps to protect Confidential Information from unauthorized use or disclosure.

10. Intellectual Property and Ownership of Documents. Intellectual Property Rights" means all (a) patents, patent disclosures and inventions (whether patentable or not), (b) trademarks, service marks, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith, (c) copyrights and copyrightable works (including computer programs) and rights in data and databases, (d) trade secrets, know-how and other confidential information, and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection in any part of the world. "Pre-Existing Intellectual Property" means all Intellectual Property, provided by or used by in connection with performing the Services, in each case developed or acquired prior to the commencement or independently of this Agreement.

Each party will retain all right, title, and interest in and to its own Pre-Existing Intellectual Property, and derivatives thereof, irrespective of any disclosure of such Pre-Existing Intellectual Property to the other

party, or use in the performance of this Agreement. All documents prepared by the Consultant pursuant to this Agreement, including but not limited to reports, field data, field notes, laboratory test data, calculations, and estimates are instruments of service in respect to the subject project. As such, the originals of all such documents shall be retained by and remain the property of the Consultant. The Client shall be entitled to copies of all such documents produced by the Consultant under this Agreement.

11. Limitations of Work Product. It is understood and the parties agree that the Client shall not use or reuse said documents or information contained therein for additions or modifications to the subject project, for other projects, or for completion of this project by another consultant, except by prior written agreement between the parties hereto and with appropriate compensation to the Consultant for such use or reuse. Any such use or reuse by the Client shall be at the Client's sole risk and without liability or legal exposure to the Consultant. Further, the Client shall defend, indemnify and hold harmless the Consultant, its officers, associates, servants, employees, consultants and agents, from and against any and all claims, demands, damages, losses or expenses of whatever kind or nature, including attorney's fees, arising out of/or claimed to arise out of any such unauthorized use or reuse of said documents or information.

12. Risk Allocation and Limitations of Liability. No employee or agent of Consultant shall have individual liability to Client. To the fullest extent permitted by law, and not withstanding any other provision of this Agreement, the total liability, in the aggregate, of the Consultant, and its officers, directors, partners, employees, agents and sub-consultants, and any of them, to the Client and anyone claiming by, through or under the Client, for any and all claims, losses, costs or damages of any nature whatsoever arising out of, resulting from or in any way related to the Project or the agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability, breach of contract or warranty, express or implied, of the Consultant, and its officers, directors, employees, agents or sub-consultants, or any of them, shall not exceed the total compensation received by the Consultant, for Services provided under this Agreement or $50,000 whichever is greater. If Client desires a limit of liability greater than that provided above, Client and Consultant shall mutually agree in writing as to the amount of such limit and the additional compensation to be paid to Consultant for assumption of such additional risk. IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL CONSULTANT BE LIABLE TO CLIENT FOR LIQUIDATED, CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES.

13. **Liability for Others**. Consultant shall not be responsible for the acts or omissions of the Client, Client's other consultants, contractor, subcontractor, other third parties or their respective agents, employees, assigns, successors, or other persons performing any of the work. Consultant shall promptly notify Client if Consultant becomes aware of any inconsistencies in the services or information provided by other parties.

14. Indemnification by Client. Client agrees to indemnify and save harmless Consultant and any affiliation thereof, its officers, agents and employees from and against any and all claims and liability, loss, expenses, suits, damages, judgments, demands, and costs (including reasonable legal fees and expenses) arising out of: (i) the acts or omissions of Client, its employees, agents or its subcontractors; (ii) injury or death to persons, or loss of or damage to property, or fines which may result by reason of buying, selling, distribution, or use of any goods or services provided under this Agreement except to the extent that such damage is due solely and directly to the negligence of Consultant; (iii) false claims submitted by Client under this Agreement or as a result of a Client misrepresentation of fact, or fraud by Client.

15. Termination. This Agreement may be terminated without cause by either party upon thirty (30) days written notice, and at any time by either party if the other party defaults in the performance of any material provision of this Agreement and such default continues for a period of seven (7) days after written notice thereof. In the event of termination, Consultant will be paid for services performed through the date of termination, plus reasonable termination expenses, including the cost of completing analyses, demobilization, records and reports necessary to document job status at the time of termination.

16. Relationship of Parties. Consultant is an independent contractor, not an employee or agent of Client. Without limitation of the foregoing, Consultant will (a) not enter into any contract, agreement, or other commitment, or incur any obligation or liability, in the name or otherwise on behalf of Client; (b) not be entitled to any worker compensation, pension, retirement, insurance, or other benefits afforded to employees of Client; (c) provide for federal income tax and other withholding related to Consultant compensation; (d) pay social security, unemployment, and other employer taxes related to Consultant employment, employees, or compensation; (e) provide worker compensation and other insurance related to Consultant employment or employees; and (f) perform all reporting, recordkeeping, administrative, and similar functions related to Consultant employment, employees, or compensation.

17. Dispute Resolution. The Client shall make no claim for professional negligence, either directly or by way of a cross complaint against the Consultant, unless the Client has first provided the Consultant with a written certification executed by an independent consultant currently practicing in the same discipline as the Consultant and licensed in the State where the Project is located. This certification shall: (a) contain the name and license number of the certifier; (b) specify the acts or omissions that the certifier contends are not in conformance with the standard of care for a consultant performing professional services under similar circumstances; and (c) state in detail the basis for the certifier's opinion that such acts or omissions do not conform to the standard of care. All claims, disputes, controversies or matters in question arising out of, or relating to, this Agreement or any breach thereof, including but not limited to disputes arising out of alleged breaches of contract, errors, omissions, or acts of professional negligence, (collectively "Disputes") shall be submitted to mediation before and as a condition precedent to pursuing any other remedy. Upon written request by either party to this Agreement for mediation of any dispute, Client and Consultant shall select a neutral mediator by mutual agreement. Such selection shall be made within ten (10) calendar days of the date of receipt by the other party of the written request for mediation. In the event of failure to reach such agreement or in any instance when the selected mediator is unable or unwilling to serve and a replacement mediator cannot be agreed upon by Client and Consultant within ten (10) calendar days, a mediator shall be chosen as specified in the Mediation Rules of the American Arbitration Association then in effect, or any other appropriate rules upon which the parties may agree. Any cause of action brought against Consultant shall be brought within one year of the work or Services performed under this Agreement. In an action, suit, or other legal proceeding to enforce a right or remedy under this Agreement, the prevailing party will be entitled to recover its costs and expenses (including, without limitation, expert witness and attorney fees) reasonably incurred in connection with such action, suit, or other proceeding or any appeal thereof. Each party waives its right to a jury trial in any court action arising between the parties, whether under this Agreement or otherwise related to the work being performed under this Agreement.

18. **Assigns**. Client may not assign this Agreement or any right or obligation hereunder without the prior written consent of Consultant, which shall not be unreasonably withheld or delayed; provided, however, that no consent shall be necessary in the event of an assignment to a successor entity resulting from a merger, acquisition or consolidation by either party or an assignment to an Affiliate of either party if such successor or Affiliate assumes all obligations under this Agreement.

19. **Waiver of Jury Trial**. Each party waives its right to a jury trial in any court action arising between the parties, whether under this Agreement or otherwise related to the work being performed under this Agreement.

20. Governing Law and Survival. This agreement will be governed by and construed in accordance with the laws of the state of Florida, without giving effect to the principles of conflict of laws thereof. Each party also hereby irrevocably submits to the exclusive jurisdiction of the courts of Broward County, Florida in any proceeding arising out of or relating to this agreement, and to the federal district courts located therein.

21. Severability. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired. Limitations of liability, indemnification, and non-solicitation & hiring of employees shall survive the termination of this Agreement for any reason. The failure of a party hereto at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by a party of any condition or of any breach of any term contained in this Agreement shall be effective unless in writing and signed by the waiving party, and no waiver in any one or more instances shall be deemed to be a continuing waiver of any such condition or breach in other instance or a waiver of any other condition or breach of any other term.

22. Enforceability. This Agreement shall be interpreted by the parties in a manner that ensures this

Agreement's general accordance with applicable local, state, federal, or foreign laws. The parties affirm that this Agreement is a collaborative effort between Client and Consultant, with no single party considered the drafter of this Agreement or having the drafting of this document construed against them.

23. Entire Agreement. To the extent allowed by law, any agreement that is part of the scope of Consultant's Services and incorporated by reference into this Agreement shall be subordinated to the terms and conditions of this Agreement where they conflict. This Agreement shall be interpreted as though prepared by all parties and shall not be construed unfavorably against either party.

Exhibit "B"

ArcGIS Utility Network Implementation (Water, Recycled, & Wastewater)

December 19, 2025

Prepared For:

City of Ontario, CA

Choon Vu Lam
IT Applications Manager

NV5

10033 MLK Street N, Suite 200

Saint Petersburg, FL 33716

Phone: 877.294.6434

12/19/2025

Choon Vu Lam
IT Applications Manager
City of Ontario
303 East B Street
Ontario, California 91764

Dear Choon,

NV5 Geospatial, Inc (NV5) is pleased to submit our proposal for ArcGIS Utility Network Implementation services for the water, recycled, and wastewater systems at the City. The proposed services build upon the readiness assessments performed separately with the City and includes options for data cleanup (in cooperation with Esri India) and cloud hosted UN infrastructure.

Why Select the NV5 Team?

- **Familiarity with your system:** Through our partnership with the City to date, NV5 has become deeply familiar with your system and supporting infrastructure and processes. We have collectively initiated the journey toward the ArcGIS UN through a readiness assessment for the water system. The City is now ready to take the next steps to complete the UN implementation and the NV5 team will be there every step of the way during this process working to make this a 100% successful project!
- **Award winning Esri experience in Water Utilities:** NV5 is an Esri Platinum Partner, currently serving over 40 water utility and local public works departments with ArcGIS UN migrations and related system configurations and integrations. In 2023, NV5 received the Esri IMGIS Utility Network Implementation Award. We look forward to bringing the same award-winning excellence to the proposed project with the City of Ontario.
- **Proven Methodology and Confidence for Success:** NV5 is the only firm with active participation on both the Esri Chief Technology Officer and Partner Advisory Councils and has worked closely with Esri to immerse into and influence the UN and we have extended that partnership to bring that same synergy into client engagements. NV5 is also a Platinum Cityworks partner and is the only firm in the world that is a Platinum partner with both Esri and Cityworks. We have a demonstrated and proven methodology to successfully plan and implement the UN for large Water Utilities and organizations and an experienced staff dedicated solely to this practice.

Please contact me if you would like additional information. We look forward to your favorable review of our proposal and to working together for the successful accomplishment of this project.

Sincerely,

Sean Savage | Account Executive | **NV5**
p: 247.675.5045 | e: sean.savage@nv5.com

Project Background

The Esri Geometric Network has successfully supported the functional and business requirements of local governments and utilities for several decades, but the lifecycle of that model has reached an end point. In 2018, Esri introduced the Utility Network (UN) as the successor and slated the retirement of the Geometric Network to be Spring of 2026. With the endpoint looming, organizations across the country are staring at a significant technology paradigm shift.

Fortunately, the City of Ontario has already initiated the process by contracting NV5 to perform a UN readiness assessment for the water system, which outlined an implementation roadmap. To continue that process, and extend our partnership, the City is ready to have NV5 conduct a similar readiness assessment for the wastewater and recycled systems that will inform a data cleanup effort (supported in collaboration with Esri India) after which we will provide full UN implementation services as outlined below.

Based on our established expertise with the Utility Network and our immersive partnership with the City to support the GIS program, NV5 is uniquely qualified to lead this effort and we look forward to the privilege of facilitating the transition for the City.

Proposed Solution

NV5 proposes to deliver a fully transitioned UN for the water, wastewater, and recycled systems to City infrastructure (optionally hosted in the cloud, per the scope below). Our services include configuring and validating the core components of the UN framework and enabling workflows that reflect City business processes. Our goal is to ensure the environment and network are not only functional but optimized for City use cases, setting the stage for a seamless organizational transition.

Project Management Approach

NV5 has an established approach to project management and delivery that has proven adaptable to diverse technical engagements, including the implementation of the UN. Our strategy leverages an agile mindset to allow for flexibility and real-time feedback. We utilize a supportive project management office (PMO) to create a standardized project management experience by providing project managers with appropriate templates, training, and fluency with industry best practices. This approach has proven successful across the diverse NV5 portfolio of services. Project management occurs continuously from contract award through project closeout and centers on the coordination, communication, collaboration, facilitation, analysis, and reporting of all project work.

- ***Project Initiation*** – The initiation process begins immediately upon award and continues through to the kick-off meetings (internal and client) through which we make sure the entire team is introduced to the scope and is collaboratively working toward a shared vision of success. During project initiation, the team will establish a schedule that considers the collective team goals, availability, and constraints, which will become the baseline for subsequent management and reporting. Likewise, we will establish a communications plan to confirm the collective team understands who should be

  addressed and copied on correspondence of various types, along with an aggregated compilation of corresponding contact information.

- ***Recurring Meetings*** – During the project kick-off, the team will determine the desired cadence for recurring status meetings, which may vary throughout the project based on the volume, intensity,

or criticality of technical tasking. During the status meetings, NV5 will facilitate conversations related to progress against the scope, upcoming activity and dependencies, technical or logistical decisions, and review of risks and mitigation strategies. For each meeting, NV5 will prepare an agenda in advance of the review and provide succinct meeting minutes following the call. Status meetings are intended to focus on the parameters of execution among respective project leadership teams and are typically distinct from technical and working meetings. As such, technical participation may vary throughout the course of the project, as necessary.

- ***Tracking, Analysis, & Reporting*** – NV5 employs a suite of processes and tools to facilitate our project management approach and support ongoing tracking of scope, schedule, budget, and sentiment. These insights are regularly communicated and form the basis of the monthly status report.
- ***Acceptance & Closure*** – Throughout the duration of the project, the NV5 PM will facilitate ongoing discussions around acceptance criteria. This iterative approach ensures stakeholders remain aligned throughout the project lifecycle, enabling timely feedback, higher satisfaction, and minimizing surprises.

Leveraging our established project management structure and tools, NV5 will guide an equally robust and proven implementation pattern to design, develop, and deploy the proposed solution, as illustrated below in **Figure 1**.

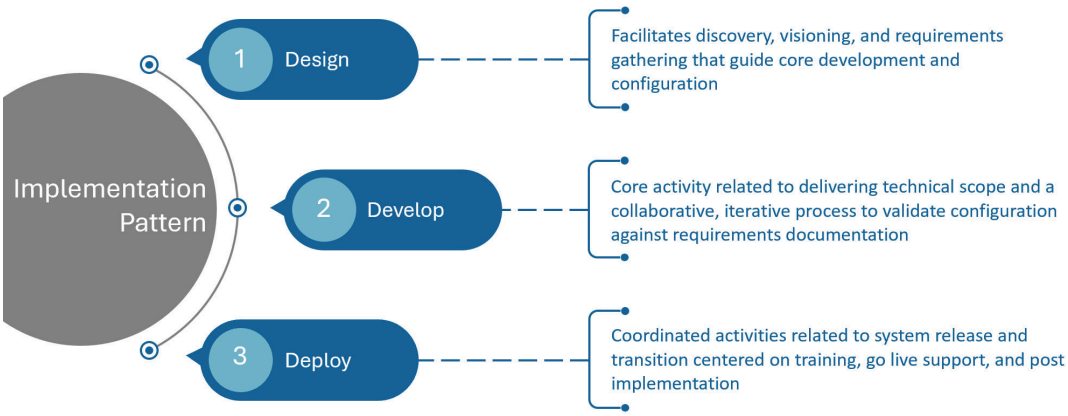


Figure 1. NV5 UN Implementation Pattern

Key Activities	Deliverables
• Kick-Off Meeting • Recurring Status Meetings • Technical Meetings • Task & Issue Tracking (Jira) • Project Acceptance & Closeout	• Meeting/Workshop Agendas & Presentations • Monthly Project Status Reports

Client Dependencies
• Schedule Coordination & Meeting Participation • Deliverable Review

Technical Approach – Development and Configuration

As a technology paradigm shift, UN implementation resembles the execution patterns of many enterprise systems. The process illustrated in **Figure 2** is highly repeatable and successful (*Note: Not all tasks occur in strict sequential order*).

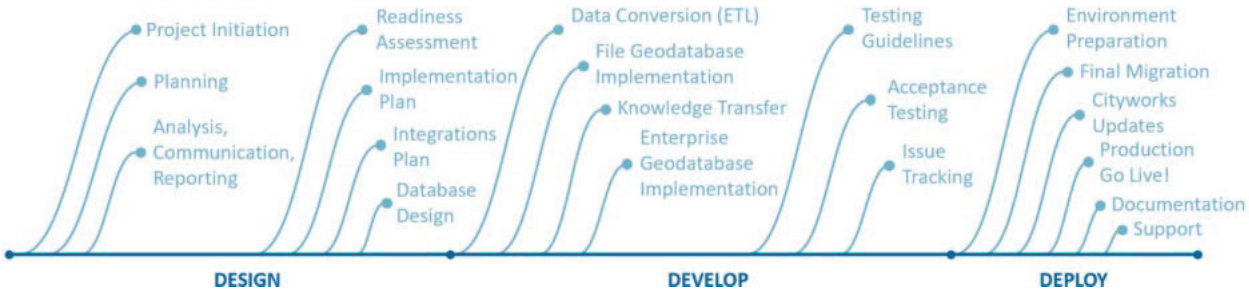


Figure 2. Technical Implementation Tasks

UN Readiness Assessment

During a Data Readiness Assessment, NV5 leverages Esri suite of tools in ArcGIS Pro to assess the current state of source data, including geometry and attribution. A summary report describes data conditions and prioritizes errors that must be addressed before UN implementation, while an output geodatabase provides locations of the specific errors.

NV5 UN implementation expert(s) also facilitate a technical requirements discovery based on the conversations with City stakeholders, though this exercise will be truncated given that the prior assessment for water included this scope. This discovery will more narrowly focus on new insights, If any, related to system architecture, GIS applications, external business system dependencies, and corresponding. The team will consider these reviews in determining the suitability of ArcGIS Utility Networks and as inputs to the high-level Implementation Roadmap. More importantly, we will work to understand the unique business needs and objectives driving desired outcomes related to the recycled and sewer systems. The team will consider these business needs alongside enterprise deployment and adoption patterns as we prepare a high-level Implementation Road Map with start-to-finish recommendations regarding data conversion, environment, as well as potential process improvements (as appropriate).

Key Activities	Deliverables
• Data evaluation (wastewater, recycled) • Technical requirements discovery (remote) • Implementation plan refinement	• Data assessment • File geodatabase of all error locations • Final implementation roadmap

Client Dependencies
• Review and approve implementation roadmap

Data Cleanup

As referenced above, one of the key outcomes from the Readiness Assessment is identifying data errors that can have an adverse effect on the configuration and function of the UN. To help mitigate the impact,

NV5 proposes to leverage Esri India to perform the data cleanup against the errors/issues identified in the Readiness Assessment to leverage the economy of offshore support.

Given that, at the time of this proposal, we have not yet completed the Readiness Assessment for two systems (wastewater, recycled water), the estimated effort and associated cost is based on the volume of errors identified in the Readiness Assessment that has been completed for water. The approach and estimate are derived from the volume of errors identified in the water system, assuming wastewater has a similar volume and recycled has approximately half as many errors. Given the uncertainty underlying this effort, NV5 proposes this task as Time & Materials.

Depending on the option preferred by the City, either Esri India or NV5 will lead the data cleanup effort, which will include editing the existing network data only and will generally exclude new data creation (geometry and attribute) and anything that requires research/reference to external data sources (e.g., as builts). Ideally, data cleanup will occur directly against the source data within the established enterprise geodatabase to mitigate potential issues related to data reconciliation or end user disruption. As necessary/appropriate, additional data cleanup may occur in the target geodatabase within the UN schema. NV5 will perform a tier of QA/QC leveraging the Data Reviewer configuration established within the Readiness Assessment supplemented by limited visual spot checking of a subset of the network.

Key Activities	Deliverables
• Data cleanup (Esri India) • Data review/quality control	• Clean network data

Client Dependencies

- System/data access for NV5/Esri India

UN Data Design

NV5 will prepare an initial mapping of source data into the ArcGIS Utility Network Foundation as a base data model. Using an incremental process, data conversion crosswalks will include all feature classes, attributes, and domain values to identify gaps and opportunities to extend missing asset types or desired attribution. These initial mappings aid our UN implementation expert(s) in facilitating Data Modeling Design workshops with project stakeholders to review and discuss the model crosswalks to finalize the data schema design. As part of this process, we will also discuss the management of unique IDs and the use of attribute rules.

In our experience, the Data Design exercise is optimally facilitated through an immersive style of engagement, which is often onsite, but can be achieved remotely by coordinating sessions and schedules in tight proximity (in contrast to stretching meetings over many days/weeks). The immersive approach retains an intellectual momentum supportive of more dedicated and focused discussions.

Key Activities	Deliverables
• Schema Crosswalks • Modeling Workshop (2½-Days, Onsite) • Design Review with the City	• Design Document

Client Dependencies

- Design Review & Acceptance

Initial UN Configuration & Data Conversion

The initial configuration and data conversion task centers on building the file-based geodatabase, translating the existing data crosswalks into functional ETL (extract, transform, load) processes, and performing the initial iteration of the ETL to produce the first intermediate data conversion. **Figure 3** illustrates the core data conversion process.

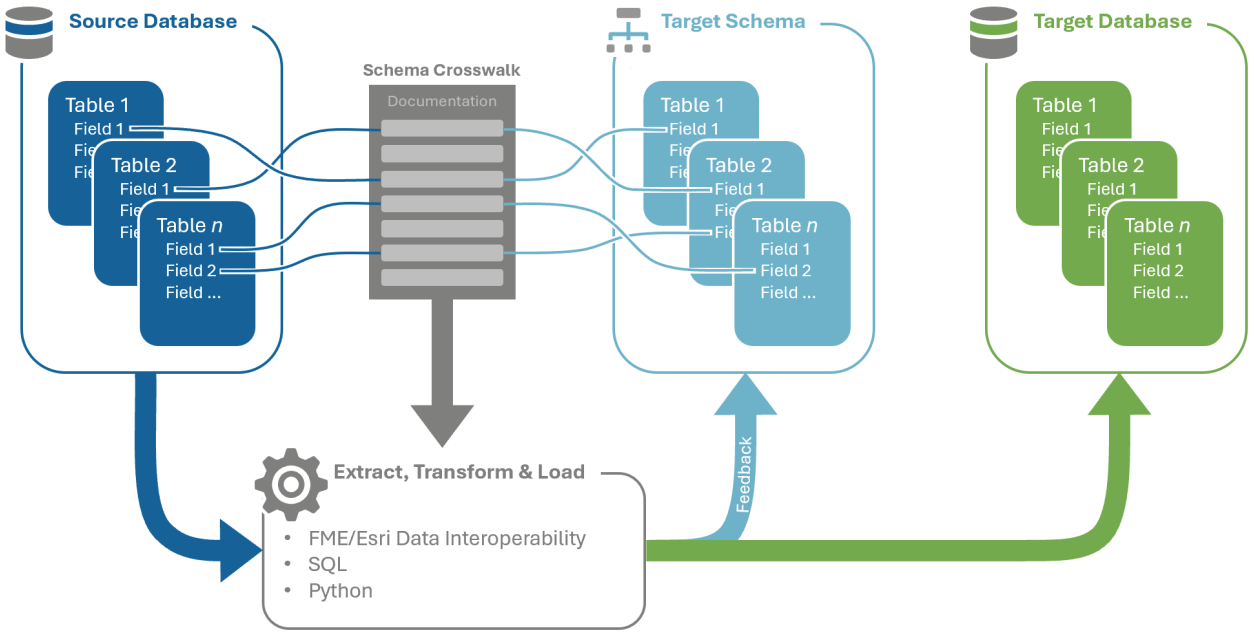


Figure 3. Data Conversion Process

NV5 will build a UN asset package with the designated schema, configuration, and data structure. The asset package includes the asset groups, asset types, attributes, and domain values, along with network management rules to create a functioning UN within a file geodatabase (FGDB). NV5 will develop ETL workbenches with FME/ArcGIS Data Interoperability to complete data conversion and identify errors (Build Error Summary). Finally, a small area (e.g., 3-5 neighborhoods) will be designated to support testing subnetwork connectivity and trace functionality to isolate potential schema or documentation revisions.

UN Configuration Work Packages

The overarching NV5 delivery strategy will be organized (internally) in sprints. Our primary configuration of the UN will be executed in a series of work packages, with respective functional delivery and testing in each. The specific distribution of tasking within each sprint will be collaboratively determined based on technical dependency and mutually agreed-upon durations.

Testing Approach and Knowledge Transfer

NV5 will develop a test plan aligning with sprints. As we implement the UN, we will build the test plan to contain the functional components that were built in that sprint. We will test internally, then provide the UAT to the City team to execute and to ensure the functionality behaves as expected. NV5 will gather and address feedback and observations, at the conclusion of each testing period. The UAT will be updated throughout the development process to align with the functionality being delivered. Using this iterative testing approach will ensure delivery of a quality UN solution.

We recognize transitioning to the UN is a big step, so to ensure successful adoption of UN, NV5 will provide guidance and support for end users focused on workflows specific to the ArcGIS Enterprise deployment. This knowledge transfer support will target Enterprise workflows such as versioned multiuser editing, reconciling and posting, QA/QC processes, subnetworks, and tracing. Additionally, NV5 will provide knowledge transfer and a supporting Administrative Best Practices document to administrators to include tasks related to system management, including publishing services, configuring Portal groups, adjusting rules, facilitating user permissions, and database administration.

Database Design, Data Conversion, Network Management Rules, Environment

First among the work packages will be to finalize the database design for the water recycled, and sewer systems, provide an initial data conversion, and validate the environmental preparation and readiness. NV5 will continue to build upon the respective UN asset packages, refining the work previously performed by extending the water (also applicable for recycled) and wastewater foundations. The configurations will include the base asset groups, asset types, and network management rules included in the agreed-upon Esri Network Management Release and corresponding software versions.

Revisions, Symbology, Editing Templates, Attribute Rules

After reviewing and addressing any revisions deemed necessary from the previous configuration, NV5 will establish initial symbology in the published feature service and editing maps using the Esri solution templates as a base. Per recommended best practices, this will consist of a colorized map for editing in ArcGIS Pro and a simple black-and-white styled map service published to support editing workflows. Any colorized feature services for read-only maps rely on different techniques that are beyond the scope of this proposal.

If needed, NV5 can provide editing templates (feature, group, preset) in the ArcGIS Pro project. These templates assist editors with streamlined workflows to simplify complex edits. In some cases, establishing editing templates can reduce the need for attribute rules, for which NV5 has provided additional configuration time to revise existing attribute rules from the foundational model. Introducing additional attribute rules beyond the foundational ones, including those for new processes, such as validation and QA/QC, is beyond the scope of this base proposal but may be optionally provided in a separate agreement.

All development work in this work package will be performed in a file geodatabase.

Revisions, Subnetworks, Tracing

NV5 will introduce functionality for subnetworks and tracing while also addressing revisions from previous configuration activities. For each UN, NV5 will build out two subnetwork definitions, including the system tier for each and the pressure tier and sewer management tiers for the water, recycled, and sewer systems, respectively. NV5 will designate appropriate subnetwork controllers for a 2-3 neighborhood test area within each tier to confirm proper functionality.

In addition, NV5 will confirm that the trace definitions included with the foundational base models are extended with any asset types added during the design. This shall include isolation trace for the water system and upstream/downstream traces for the sewer systems.

All development work in this work package will be performed in a file geodatabase.

Revisions & Development Deployment

To conclude the configuration process, NV5 will focus on addressing revisions identified during each of the prior work packages to finalize the UN configurations in preparation for deployment.

Following acceptance of the FGDB UN, NV5 will prepare a Deployment Plan to outline the required activities and technical information associated with deploying the UN geodatabase into the lower-tier (e.g., development) environment. We will then deploy the FGDB UN into the target ArcGIS Enterprise host environment and apply the configuration elements required to establish a functional Enterprise UN. The team will update the ArcGIS Pro project to reference the new deployment environment, publish foundational UN services, confirm proper function, and configure a script for Database Administration Tasks (e.g., validate *default* version and update subnetworks). NV5 will then facilitate a last round of data conversion and functional testing.

Key Activities	Deliverables

• Build UN Asset Packages
• Configure ETL Conversion Tools
• Enterprise Environment Validation (Development)
• UN Configuration (Water, Recycled, Wastewater)
  • Development Deployment
  • Symbology
  • Editing Templates
  • Attribute Rule Configuration
  ○ Asset ID & Facility ID Rules
  ○ Foundational Rules
  • Network Topology (Designated Subarea)
  • Subnetwork Controllers (Designated Subarea)
• Knowledge Transfer (power/end users up to 8 hours, administrators)
• System Testing
• Task & Issue Tracking (Jira)
	• Build Error Summary Report
	• FGDB UN (per work package)
	• Deployment Plan
	• Operational UN Deployed to Development Environment
	• Foundational Map Services (Up to 3 Services)
	• Database Administration Tasks Script
	• Test Plan
	• Editing Best Practices Document
	• Administrative Best Practices Document

Client Dependencies
• Schedule Coordination & Meeting Participation • Provide Access to Development and Production Environments, As Appropriate • Deliverable Review • Provide Work Documentation Examples • Complete Testing Activities

Cityworks Configuration Updates

Inherent to the transition to the UN are underlying adjustments to the geodatabase schema, which will impact the configuration of Cityworks as a dynamic, GIS-centric solution with direct dependencies on the enterprise geodatabase. As a result, NV5 is proposing to provide Cityworks reconfiguration of asset types will likely be required in order to align the utility asset types with the corresponding work activities, including inspections and work orders, in addition to report templates.

To start, the team will collaborate with City staff to orient to the current Cityworks deployment to review the existing Cityworks environment. This exercise provides the technical context to guide the subsequent configuration revisions, which center on adjustments to the defined asset types to align with the published GIS services and Cityworks work activities. We suggest leveraging a lower tier Cityworks environment to perform the initial configuration updates, preferably that has recently rolled down from Production. We recognize that the City is weighing options and pathways to upgrade the GIS environment to 11.3 and the Cityworks environment to Cityworks 23.x via a potential transition to Cityworks Online or Trimble Unity Maintain. For purposes of this proposal, we assume those to be the end versions. If the pathway changes, the approach and estimated effort/price may need to be updated.

The three basic UN feature services (water, recycled wastewater) generated earlier during development of the UN will be configured, with each containing up to 15 asset types. The subtypes defined in each feature services will be imported into Cityworks and will guide the mapping of work activities, service layer remapping, and service definition updates. Likewise, NV5 assumes up to 50 Work Order templates per published feature services (up to 150 total) and up to 15 Inspections per service (up to 45 total) that will be remapped to reflect the geodatabase schema adjustments.

Additionally, organizations frequently develop report templates within Cityworks that consume feature data, which may be disrupted by underlying schema changes incurred by the UN implementation. Without available detailed information on the structure, content, and volume of reports leveraged by the City, NV5 is proposing up to eight (8) hours of support to help update impacted report templates. This explicit allocation of time is intended to target updates to the content of existing reports and does not include support for transitioning reports from Crystal Reports to Active Reports or to develop new reports. The proposed time may directly support content updates to report templates, or if preferred by City staff, may encompass support knowledge transfer and guidance to staff on updating report templates independently.

Further, the introduced schema changes may have a further impact on historical work activities depending on the differential between the current structure and target UN structure. Updating the asset types, as referenced above, addresses one-to-one changes, wherein the only real change is the name of the feature layer that define the asset type (e.g., wValve to SystemValve). For more complex changes, such as changes to the asset unique identifier field, NV5 leverages ETL scripts to update the historic records within the database to ensure data history is preserved and prevent orphaned records in the Cityworks database. The magnitude of such complex changes will not be known until the UN design phases are complete, but to accommodate a comprehensive approach and position the City for maximum likelihood of a production ready migration, NV5 has included up to 40-hours towards the development of ETL processes.

Lastly, NV5 will provide up to eight (8) hours to configure Trace capabilities within Cityworks, which will be available for end-users to run as needed directly from the Cityworks map. This functionality does require a minimum of Respond 5.x. As with reporting, this time is intended to include the initial configuration as well as knowledge transfer to provide the City with the tools to modify Trace configurations in the future.

Key Activities	Deliverables
• Work activity configuration updates • Historic activity migration • Report updates • Trace configuration in Respond (5.x)	• Cityworks configuration compatible with the UN schema

Production Deployment

To accommodate deploying the final UN migration into the production environment, NV5 will effectively repeat the activities performed during the deployment to the lower tier, including support to guide host environment configuration. The respective project managers will tightly coordinate the production tier deployment to ensure the impact on users is minimized. The process will require a period in which edits to the source geodatabase will be frozen while the final data conversion is completed.

The final UN will be performed in a transitional file geodatabase deployed to the production ArcGIS Enterprise environment, where NV5 will perform the final configuration tasks to make the UN operational. The team will update the ArcGIS Pro project to reference the new deployment environment, publish foundational UN services, confirm proper function, and configure a script for Database Administration Tasks (e.g., validate default version and update subnetworks).

As part of the deployment, NV5 will provide support to facilitate the go-live transition and release of the UN for production use. During the go-live period, NV5 will be available to address issues users may experience as the UN is incorporated into day-to-day processes.

The final release of each system is considered independent of the other systems, with respective data conversion, production release, and go-live support activities. Project managers may decide to adjust release dates during the project execution to address efficiencies or better coordinate for dependencies between the systems.

Key Activities	Deliverables
• ArcGIS Enterprise Environment Consultation (Up to 4-Hours) • Go-Live Support (3 Days, Onsite) • Final Data Conversion	• Final Deployment Plan • UN Deployed to Enterprise Production Tier • ArcGIS Pro Editing Templates • Foundational Map Services (Up to 3 Services) • Database Administration Tasks Script • Final Documentation

Client Dependencies
• Official Acceptance of UN in Production

Stabilization and Ad-hoc Support

Immediately following the release of the UN into the production environment, the project will transition into a stabilization period, during which NV5 will provide support related to minor configuration adjustments or offer supplemental knowledge transfer related to the UN.

Key Activities

- Stabilization Support (Up to 24 hours within 30 calendar days)
- Task and Issue Tracking (Jira)

Client Dependencies

- Schedule Coordination & Meeting Participation
- Environment Access
- Deliverable Review

Assumptions

General:

- Work will be performed remotely unless explicitly indicated otherwise.
- The City has or will acquire adequate licensing for ArcGIS Enterprise and the ArcGIS Utility Network.
- The City will provide remote access (VPN or similar solutions with comparable security and performance), if necessary, to complete the proposed tasking.
- NV5 will implement the 2024 Esri Network Management Release of the ArcGIS Utility Network, which is available at the time of implementation, ArcGIS Enterprise 11.3 and ArcGIS Pro 3.3.
- The City will strictly adhere to the Network Management Release during the proposed implementation.
- As part of the proposed scope of services, NV5 will apply/modify the UN attribute rules that are part of the foundational model. Attribute rule modifications will not require extensive custom coding.
- The City will take the lead in coordinating schedules for resource and stakeholder participation in meetings, including staffing schedules and conference room availability if necessary.
- The City has the requisite facilities to support the meetings, including room availability and size to accommodate, wireless internet access, and capacity to present or demonstrate (projector or large screen monitors) as appropriate to the context of the conversation.
- The City will communicate business system dependencies based on local knowledge. Dependencies not shared or known by the City will not be addressed in this scope.
- FME/ArcGIS Data Interoperability software will be used to convert the data.
- NV5 is not responsible for resolving defects, bugs, or issues determined to result from Esri or other third-party solutions, product or platform-related defects, or similar. The defect will be reported to the respective vendor.
- Any software updates or dependency impacts (e.g., integrations, services) identified will be communicated and incorporated as an element of the implementation plan, but this will not inherently include a description of how to address, given the potential implications on third-party systems for which NV5 may not hold expertise. NV5 may provide deeper consultative support on integrations as part of a project implementation.
- Training and knowledge transfer are meant to provide contextual knowledge on the City environment rather than replace formal Esri training on ArcGIS Pro and the ArcGIS Utility Network.
- Functional requirements that emerge or evolve during the project (items not explicitly referenced in the requirements documentation or scope) may require a change order or may be noted for development in a subsequent phase or project.

Data

- The data cleanup task proposed by NV5 in collaboration with Esri India is a Time & Materials task through which the team will make as much progress as possible within the available budget.

- To help ensure progress of the UN implementation, NV5 will recommend that errors be addressed in priority sequence such that errors that will prohibit implementation are resolved first.
- Data errors/issues that cannot be addressed within the available data cleanup budget will either be addressed by City staff or persisted into the UN implementation for resolution at a later date.
- While NV5 will make every effort to review the data during our initial testing processes, City staff will confirm that all source features were migrated into the proper UN asset type and that the attribution has completely migrated as expected.
- The City's stakeholders have suitable familiarity with business and functional requirements to provide input that can accurately shape the design of the geodatabase.

System Integrations

- Design and development related to specific business system integrations and other dependent applications and processes are not within the proposed project scope. Instead, general requirements to support those integrations will be noted while avoiding the specific technical implementation needs.

Preliminary Timeframe

A final schedule will be defined collaboratively during the project initiation phase and will consider collective availability and capacity constraints as well as timeframe objectives of the City. Absent further information and input, NV5 expects to complete the objectives within ***approximately 15 months*** of the initial project kickoff.

Pricing and Acceptance

NV5 proposes the pricing outlined in the table below for the ArcGIS Utility Network Implementation and related services. This price includes the scope as described above including the documented assumptions.

PHASE/TASK	PRICE
UTILITY NETWORK SERVICES	

Utility Network Implementation (Fixed Price)
• Readiness Assessment (2 Systems)
• Core Implementation (3 Systems)
  • Design (Onsite Workshop)
  • Conversion/ETL
  • Testing
  • Deployment
  • Documentation
	$ 392,000

Data Cleanup (Time & Materials*) • Estimated effort based only on the Readiness Assessment for Water • Speculated cleanup effort for Wastewater is assumed to be equivalent to Water • Speculated cleanup effort to Recycled is assumed to be approximately 50% of Water • Esri India will Perform Core Data Cleanup (Offshore Staff)	$ 65,000
Cityworks Configuration Updates (Fixed Price) • Work activity configuration updates • Historical activity updates • Report template revisions	$ 45,500
TOTAL	**$ 502,500**

** Time & Materials tasks will be invoiced monthly based on actuals according to the following rate table as established in the Professional Service Agreement between the City and GISinc (now NV5) dated February 7, 2023. Additional rates have been added to support Esri India services.*

Hourly Rate Matrix

The following table outlines the hourly rates that will be used for the Time & Materials tasks identified above or for any additional requests not explicitly included within the proposed scope.

Labor Category	Hourly Rate (8/1/2025 to 7/31/2026)
Enterprise Architect	$286.85
Staff Solutions Architect	$256.19
Sr Solutions Architect	$316.71
Staff Geospatial Project Manager	$256.19
Sr Geospatial Project Manager	$316.71
Staff Geospatial Developer	$237.07
Sr Geospatial Developer	$284.48
Staff Geospatial Analyst	$159.34
Sr Geospatial Analyst	$190.46
Staff Solutions Engineer	$237.07
Sr Solutions Engineer	$284.48
Esri India	$18.00

You may indicate your acceptance of the above proposal with a signature from authorized personnel.

City of Ontario, CA

Signature: _____

Name: _____

Title: _____

Date: _____

QUOTATION TERMS AND CONDITIONS

This confidential quotation is valid for thirty (30) days unless otherwise stated and does not include shipping or tax unless otherwise stated. This contract will expire one year after signature. This quotation information is proprietary and may not be copied or released other than for the express purpose of system and service selection and purchase. This information may not be given to outside parties or used for any other purpose without written consent from NV5 Geospatial (NV5).

General Terms and Conditions

1. The Agreement. This Agreement between the parties, which shall describe and govern Client's engagement of Consultant to provide services (referred to herein as "Services") identified in the Proposal, consists of the Proposal, these General Terms and Conditions, Consultant's pricing, and any exhibits or attachments referenced in any of these documents. Together these elements constitute the entire agreement between the parties, superseding any and all prior negotiations, correspondence, or agreements, either written or oral, with respect to the subject matter of this engagement.

2. Standard of Care. The parties will consult and cooperate to coordinate Services with the activities of Client employees and other representatives. The Services shall be performed in a manner consistent with the level of care and skill ordinarily exercised by members of Consultant's profession currently practicing under similar conditions and in the same locality as the Project. Consultant shall not be responsible for the use or interpretation of such information by non-parties to this Agreement. Consultant shall not be held liable for problems that may occur if Consultant's recommendations are not followed. In performance of Services and this Agreement, Consultant will comply in general accordance with applicable laws, ordinances, rules, regulations, orders, licenses, permits, and other governmental requirements (including, but not limited to, such requirements imposed on Client with respect to Services).

3. Schedule. Consultant will use best efforts to perform Services in accordance with agreed upon schedule. Consultant is not responsible for delays as a result of acts of God, earthquake, fire, explosion, flood, the elements; strikes, lockouts, boycotts, picketing, labor disturbances or differences with workers; acts of the public enemy, war, rebellion, riots, acts of the government (federal, state, or municipal); shelter in place, quarantines, work restrictions or related government orders or mandates arising from or in connection with pandemics including COVID-19 (coronavirus), weather conditions adversely affecting aerial acquisition, flight clearances for access to air and space, aviation security restrictions, equipment failures or interruptions in communications systems; or any cause whatsoever beyond the control of the party in default. When such delays beyond Consultant's reasonable control occur, Client agrees Consultant shall not be responsible for damages nor shall Consultant be deemed to be in default of this Agreement. Further, when such delays occur, Client agrees that, to the extent such delays cause Consultant to perform extra services, such services shall be paid for by Client as extra services in accordance with paragraph.

4. Changes. Client may make changes in Services within the general scope of this Agreement (including, but not limited to, additions to or deletions from Services, suspension of performance, and changes in schedule) by giving Consultant written notice of the same. If a change causes an increase or decrease in the time or costs required to perform Services according to this Agreement, the schedule and compensation for such Services will be equitably adjusted to reflect such increase or decrease, and the Agreement will be amended in writing accordingly.

5. Additional Services. Client agrees that if Client requests services not specified in the scope of services described in this Agreement, Client will pay for all such additional services as extra services, in accordance with Consultant's billing rates utilized for this Agreement, or as identified via an amendment to the original Agreement.

6. Billing and Payment. Consultant will issue progress invoices, including applicable taxes, thereafter to Client as work is performed, but no more frequently than weekly. Undisputed progress invoices are payable by Client thirty (30) days after receipt of the invoice. Where the method of contract payment is

based on a time-and-materials basis, the minimum time segment for the charging of work is one half hour. Salary increases will become effective immediately upon Consultant's authorization and will be reflected in the next invoice submitted to Client. All payments will be made in United States Dollars. If Client objects to all or any portion of any invoice, Client will so notify Consultant in writing within ten (10) calendar days of the invoice date, identify the cause of disagreement, and immediately pay that portion of the invoice not in dispute. In the absence of written notification described above, the balance as stated on the invoice shall be deemed accepted. Invoices are delinquent if payment has not been received when due as set forth in this Section. In such an event, Client shall pay an additional charge of one and one-half (1.5) percent per month (or the mNV5um percentage allowed by law, whichever is lower) on any delinquent amount. Payment thereafter will first be applied to accrued interest and then to the principal unpaid amount. Consultant shall also be entitled to recover for all costs and expenses incurred (including any attorney's fees) in connection with collection of any delinquent amount. Consultant reserves the right to withhold all reports or deliverables and suspend any and all services, including but not limited to a stop work order on the project, unless and until payment is made by Client in accordance with this Agreement.

Should Consultant be subpoenaed or called upon to testify for or on behalf of the Client or for consulting services on matters arising out of or related to the Work, Client shall compensate Consultant for its time at a rate of two times (2x) the Consultant's standard billing rates.

7. Site Access and Conditions. Client will provide Consultant access to the Project site for all equipment and personnel necessary for the performance of the Services. As required to effectuate such access, Client will notify all owners, lessees, contractors, subcontractors, and other possessors of the Project site that Consultant must be allowed free access to the site. While Consultant agrees to take reasonable precautions to minimize damage to the site, Client understands that, in the normal course of performing the Services, some damage may occur, and further understands that Consultant is not responsible for the correction of any such damage unless so specified in the Proposal.

Client agrees that in accordance with generally accepted construction practices, the construction contractor and construction subcontractors will be required to assume sole and complete responsibility for job site conditions during the course of construction of the project, including safety of all persons and property, and that this requirement shall apply continuously and not be limited to normal working hours. Neither the professional activities of Consultant nor the presence of Consultant or his or her employees or subconsultants at a construction site shall relieve the contractor and its subcontractors of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the work of construction in accordance with the contract documents and applicable health or safety requirements of any regulatory agency or of state law.

8. Reports. If requested by Client and agreed to by Consultant, Consultant will prepare and submit to Client a written report describing Services performed during the prior month and Services planned for the current month.

9. Confidential Information. Information acquired by Consultant in connection with Services (from Client or a third party or developed by Consultant) and not generally available to the public will constitute confidential information of Client (*Confidential Information*). "Confidential Information" shall include any and all oral, written or electronically transmitted information of a proprietary nature which is either owned by the Parties, or owned by any affiliate of the Parties and licensed to the other Party, including, but not limited to, any information relating to services or products that is not generally available to the public, including without limitation, identification of customers; business methods, strategies and practices; internal operations; pricing and billing; financial data; costs; personnel information; customer and supplier contacts and needs; sales lists; technology; software; computer programs; computer systems; inventions; patents-pending; product development; trade secrets of any kind; any information designated as confidential by either Party or that Party's clients; and all oral, written or electronically transmitted information learned by the receiving Party from the disclosing Party's employees, agents, or through inspection of the other Parties' property, that relate to the categories of information listed above. Confidential Information shall not include information that (i) is now or subsequently becomes generally available to the public through no fault or breach of this Agreement on the part of the receiving Party; (ii) the receiving Party can demonstrate to have had rightfully in its possession prior to disclosure by the other Party; (iii) is independently developed by either Party without the use of any Confidential Information; or (d) the receiving Party rightfully obtains from a third party who has the right to transfer or disclose it without a duty of confidentiality and/or nondisclosure.

Consultant will use and disclose Confidential Information only as reasonably required for performance of Services in accordance with this Agreement or as otherwise authorized in writing by Client. Consultant will not publish Confidential Information without prior written consent of Client. Without limitation of the foregoing, Consultant will not divert or misappropriate Confidential Information for Consultant benefit or the benefit of a third party. Consultant will take appropriate steps to protect Confidential Information from unauthorized use or disclosure.

10. Intellectual Property and Ownership of Documents. "Intellectual Property Rights" means all (a) patents, patent disclosures and inventions (whether patentable or not), (b) trademarks, service marks, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith, (c) copyrights and copyrightable works (including computer programs) and rights in data and databases, (d) trade secrets, know-how and other confidential information, and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection in any part of the world. "Pre-Existing Materials" means all documents, data, know-how, methodologies, software and other materials, including computer programs, reports and specifications, provided by or used by in connection with performing the Services, in each case developed or acquired prior to the commencement or independently of this Agreement.

Each party will retain all right, title, and interest in and to its own Pre-Existing Intellectual Property irrespective of any disclosure of such Pre-Existing Intellectual Property to the other party, subject to any licenses granted herein. All documents prepared by the Consultant pursuant to this Agreement, including but not limited to reports, field data, field notes, laboratory test data, calculations, and estimates are instruments of service in respect to the subject project. As such, the originals of all such documents shall be retained by and remain the property of the Consultant. The Client shall be entitled to copies of all such documents produced by the Consultant under this Agreement.

11. Limitations of Work Product. It is understood and the parties agree that the Client shall not use or reuse said documents or information contained therein for additions or modifications to the subject project, for other projects, or for completion of this project by another consultant, except by prior written agreement between the parties hereto and with appropriate compensation to the Consultant for such use or reuse. Any such use or reuse by the Client shall be at the Client's sole risk and without liability or legal exposure to the Consultant. Further, the Client shall defend, indemnify and hold harmless the Consultant, its officers,

associates, servants, employees, consultants and agents, from and against any and all claims, demands, damages, losses or expenses of whatever kind or nature, including attorney's fees, arising out of/or claimed to arise out of any such unauthorized use or reuse of said documents or information.

12. Risk Allocation and Limitations of Liability. No employee or agent of Consultant shall have individual liability to Client. To the fullest extent permitted by law, and not withstanding any other provision of this Agreement, the total liability, in the aggregate, of the Consultant, and its officers, directors, partners, employees, agents and sub-consultants, and any of them, to the Client and anyone claiming by, through or under the Client, for any and all claims, losses, costs or damages of any nature whatsoever arising out of, resulting from or in any way related to the Project or the agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability, breach of contract or warranty, express or implied, of the Consultant, and its officers, directors, employees, agents or sub-consultants, or any of them, shall not exceed the total compensation received by the Consultant, for Services provided under this Agreement or $50,000 whichever is greater. If Client desires a limit of liability greater than that provided above, Client and Consultant shall mutually agree in writing as to the amount of such limit and the additional compensation to be paid to Consultant for assumption of such additional risk. IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL CONSULTANT BE LIABLE TO CLIENT FOR LIQUIDATED, CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES.

13. **Liability for Others**. Consultant shall not be responsible for the acts or omissions of the Client, Client's other consultants, contractor, subcontractor, other third parties or their respective agents, employees, assigns, successors, or other persons performing any of the work. Consultant shall promptly notify Client if Consultant becomes aware of any inconsistencies in the services or information provided by other parties.

14. Indemnification by Client. Client agrees to indemnify and save harmless Consultant and any affiliation thereof, its officers, agents and employees from and against any and all claims and liability, loss, expenses, suits, damages, judgments, demands, and costs (including reasonable legal fees and expenses) arising out of: (i) the acts or omissions of Client, its employees, agents or its subcontractors; (ii) injury or death to persons, or loss of or damage to property, or fines which may result by reason of buying, selling, distribution, or use of any goods or services provided under this Agreement except to the extent that such damage is due solely and directly to the negligence of Consultant; (iii) false claims submitted by Client under this Agreement or as a result of a Client misrepresentation of fact, or fraud by Client.

15. Termination. This Agreement may be terminated without cause by either party upon thirty (30) days written notice, and at any time by either party if the other party defaults in the performance of any material provision of this Agreement and such default continues for a period of seven (7) days after written notice thereof. In the event of termination, Consultant will be paid for services performed through the date of termination, plus reasonable termination expenses, including the cost of completing analyses, demobilization, records and reports necessary to document job status at the time of termination.

16. Relationship of Parties. Consultant is an independent contractor, not an employee or agent of Client. Without limitation of the foregoing, Consultant will (a) not enter into any contract, agreement, or

other commitment, or incur any obligation or liability, in the name or otherwise on behalf of Client; (b) not be entitled to any worker compensation, pension, retirement, insurance, or other benefits afforded to employees of Client; (c) provide for federal income tax and other withholding related to Consultant compensation; (d) pay social security, unemployment, and other employer taxes related to Consultant employment, employees, or compensation; (e) provide worker compensation and other insurance related to Consultant employment or employees; and (f) perform all reporting, recordkeeping, administrative, and similar functions related to Consultant employment, employees, or compensation.

17. Dispute Resolution. The Client shall make no claim for professional negligence, either directly or by way of a cross complaint against the Consultant, unless the Client has first provided the Consultant with a written certification executed by an independent consultant currently practicing in the same discipline as the Consultant and licensed in the State where the Project is located. This certification shall: (a) contain the name and license number of the certifier; (b) specify the acts or omissions that the certifier contends are not in conformance with the standard of care for a consultant performing professional services under similar circumstances; and (c) state in detail the basis for the certifier's opinion that such acts or omissions do not conform to the standard of care. All claims, disputes, controversies or matters in question arising out of, or relating to, this Agreement or any breach thereof, including but not limited to disputes arising out of alleged breaches of contract, errors, omissions, or acts of professional negligence, (collectively "Disputes") shall be submitted to mediation before and as a condition precedent to pursuing any other remedy. Upon written request by either party to this Agreement for mediation of any dispute, Client and Consultant shall select a neutral mediator by mutual agreement. Such selection shall be made within ten (10) calendar days of the date of receipt by the other party of the written request for mediation. In the event of failure to reach such agreement or in any instance when the selected mediator is unable or unwilling to serve and a replacement mediator cannot be agreed upon by Client and Consultant within ten (10) calendar days, a mediator shall be chosen as specified in the Mediation Rules of the American Arbitration Association then in effect, or any other appropriate rules upon which the parties may agree. Any cause of action brought against Consultant shall be brought within one year of the work or Services performed under this Agreement. In an action, suit, or other legal proceeding to enforce a right or remedy under this Agreement, the prevailing party will be entitled to recover its costs and expenses (including, without limitation, expert witness and attorney fees) reasonably incurred in connection with such action, suit, or other proceeding or any appeal thereof. Each party waives its right to a jury trial in any court action arising between the parties, whether under this Agreement or otherwise related to the work being performed under this Agreement.

18. **Assigns**. Client may not assign this Agreement or any right or obligation hereunder without the prior written consent of Consultant, which shall not be unreasonably withheld or delayed; provided, however, that no consent shall be necessary in the event of an assignment to a successor entity resulting from a merger, acquisition or consolidation by either party or an assignment to an Affiliate of either party if such successor or Affiliate assumes all obligations under this Agreement.

19. **Waiver of Jury Trial**. Each party waives its right to a jury trial in any court action arising between the parties, whether under this Agreement or otherwise related to the work being performed under this Agreement.

20. Governing Law and Survival. This agreement will be governed by and construed in accordance with the laws of the state of Florida, without giving effect to the principles of conflict of laws thereof. Each party also hereby irrevocably submits to the exclusive jurisdiction of the courts of Broward County, Florida

in any proceeding arising out of or relating to this agreement, and to the federal district courts located therein.

21. Severability. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired. Limitations of liability, indemnification, and non-solicitation & hiring of employees shall survive the termination of this Agreement for any reason. The failure of a party hereto at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by a party of any condition or of any breach of any term contained in this Agreement shall be effective unless in writing and signed by the waiving party, and no waiver in any one or more instances shall be deemed to be a continuing waiver of any such condition or breach in other instance or a waiver of any other condition or breach of any other term.

22. Enforceability. This Agreement shall be interpreted by the parties in a manner that ensures this

Agreement's general accordance with applicable local, state, federal, or foreign laws. The parties affirm that this Agreement is a collaborative effort between Client and Consultant, with no single party considered the drafter of this Agreement or having the drafting of this document construed against them.

23. Entire Agreement. To the extent allowed by law, any agreement that is part of the scope of Consultant's Services and incorporated by reference into this Agreement shall be subordinated to the terms and conditions of this Agreement where they conflict. This Agreement shall be interpreted as though prepared by all parties and shall not be construed unfavorably against either party.

EXHIBIT "C"

June 20, 2025

Albert Ilizaliturri
Principal IT Analyst
City of Ontario
303 East B Street
Ontario, California 91764

RE: NV5 Premier Support Services & Managed Services

Dear A.J.,

NV5 Geospatial, Inc. (NV5) is pleased to continue our partnership with the City by submitting this proposal to provide ongoing Premier Support Services and Managed Services for up to the next five years. Through our work over the past six years, we understand the commitment the City has to maintaining and advancing an enterprise GIS program capable of supporting the expectations of both staff and citizens and we are excited to be a part of that program.

Why NV5?

- **Trusted Partner** – The City of Ontario and NV5 have an established and successful partnership through which NV5 provides enterprise GIS services, to include system/infrastructure support and core GIS expertise.
- **Premier GIS & Trimble Provider** – NV5 has earned Platinum tier partnerships with both Esri and Trimble, making us the only vendor to have dual platinum status. Through our partnerships, we have deep relationships and elevated access to the respective software vendors, through which we represent our clients. The platinum status reflects our level of engagement, experience, and contribution within the technical community, which we offer to the City to help establish Trimble Unity Maintain as a GIS-centric enterprise solution layers atop the Esri software stack.
- **Breadth and Depth of Experience** – For over 50 years we have used geospatial technology to help state and regional organizations solve mission-critical challenges. Our geospatial experts are driven to help our clients enact meaningful change across their communities and the world.

We look forward to continuing our work with the City to support your GIS environment. Please contact me with any questions or if you require additional information.

Sincerely,

Sean Savage
Account Executive

Proposed Solution

To continue our support for the City of Ontario, NV5 is proposing a continuation of both Managed services for systemic support and Premier Support Services for ad hoc enterprise GIS support. The combination of services has been an effective approach allowing NV5 to support and collaborate with the City to sustain and advance the adoption of location technology.

Managed Services

The City has established a robust GIS program that spans multiple departments and facilitates mission enhancing, mission essential, and mission critical functionality. To help support the enterprise GIS environment and maintain a stable and performant system, NV5 is proposing to provide the City with managed services (host infrastructure). This proposal represents a continuation of the services we have provided to the City for the past six years.

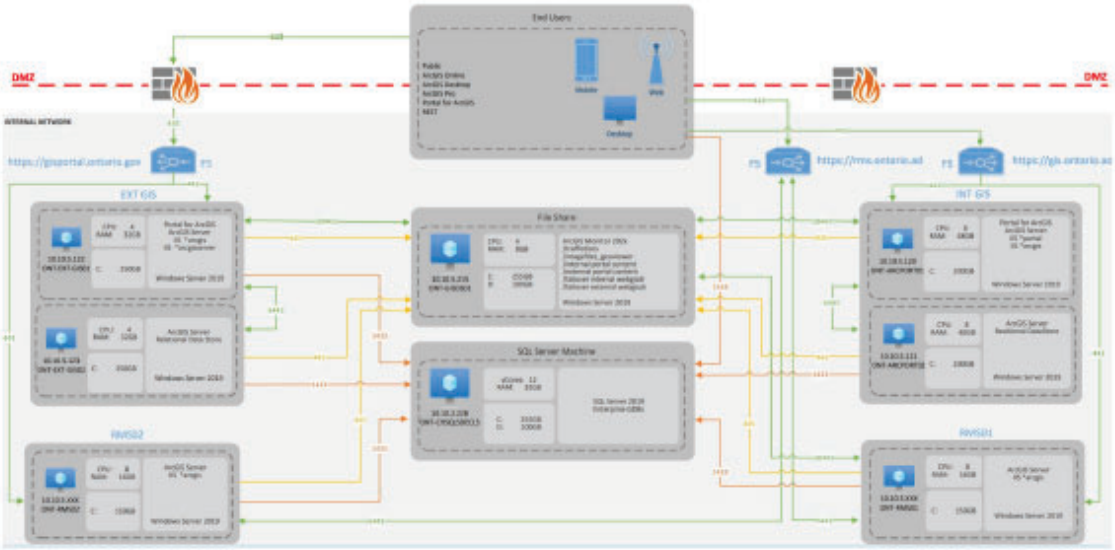
NV5 Managed Services include:

- Monthly system checks
  - System health verification
  - Patch reviews (Esri, OS)
- Maintenance summary of recommendations (prior to the maintenance window)
- Monthly system maintenance
  - Patch application (Esri, OS)
  - Executed during a mutually agreed maintenance window (typically the third Wednesday of each month (changes to the schedule may be requested/coordinated in advance)
- Expiry tracking (e.g., licensing, SSL certificates)

The NV5 proposed managed services are intended to focus strictly on support for the host environment and do not include broader GIS support tasking. Additional support needs, including ad hoc requests from authorized City staff or planned/corrective tasking (some of which may result from recommendations by NV5)

System Architecture

The following diagram represents the architecture NV5 is proposing to support and upon which our estimated effort and proposed pricing are based. Any deviations from this architecture during the period of performance may require a corresponding change order.



Service Level Agreement

NV5 proposes the following Service Level Agreement (SLA) associated with the Managed Services, as proposed above:

- **Contract**: Fixed Price (three years, plus two option years)
- **Business Support**: 8:00 am to 5:00 pm local, Monday through Friday (excluding holidays)
- **Response Times**: Response, acknowledgment, and resource assignment in two (2) business hours
- **Communications Channel**: axim-dl-ontariosupport@nv5.com (NV5 distribution list)
- **Maintenance Window**: Third Wednesday of each month after business hours (subject to change, with approval from Ontario)

Premier Support Services

NV5 is proposing a Premier Support Services contract to complement the systemic support offered via the Managed Services scope outlined above. Unlike our Managed Services, NV5 Premier Services are offered as a T&M contract with no explicitly pre-defined or obligated scope. As a result, the approach is flexible, allowing us to accommodate the potentially unique tasking on an as needed basis, offering additional capacity and capability to supplement City IT/GIS staff. Leveraging NV5 Premier Services, the City can look to extend the functionality and footprint of the Esri software stack throughout City business processes and user bases.

Tasking will be estimated, as reasonable and feasible and based on the best of our knowledge, experience, and insight at the time and do not represent a guarantee of completion within the specified time. We will communicate deviations from estimates as early as possible.

All time related to our activity with the City will be tracked, recorded, and reported in minimum intervals of 30-minutes (0.5 hours). This includes the effort required to discuss, design, consult, estimate, plan, manage, execute, and support various tasks by any NV5 staff member working to support the Premier Services for the City, which includes Project Management time along with periodic and recurring meetings to review

status and identify future tasks. The team will work diligently and deliberately with the approved budget to help ensure we deliver value that will support a lasting relationship.

The NV5 team will undertake tasking that has been prioritized and authorized by the City by logging the request and getting our staff aligned and assigned. We understand that response timeframes are important and we will queue tasking as appropriate. In some cases, this means rapid response may be required and in other situations tasks queued and planned as the appropriate resources are available, which may range from two to four weeks from request.

Tasking may include such things as:

- Architecture review & design
- ArcGIS Enterprise software administration & upgrades
- Solution configuration & customization
- Data automation & integration
- Documentation, knowledge transfer, & training
- General program support
- Advance configurations within Utility Network
- Mobile application development and support

Based on the requested budget and assuming an even spread of the allocated budget over the potential five-year period (three-year base plus two option years), however, budget for any given year may be adjusted (excess rolled to subsequent years or deficit pulled from subsequent years) until contract expiration. Under this assumed budgetary distribution, we estimate a total of ***approximately 2,291 hours*** of support through the Premier Services contract. The actual number of hours will vary based on the nature of the tasks requested, the type of resources/staff required, and the distribution of effort over the period of performance (tasking in later years will use escalated hourly rates, resulting in fewer hours.

Price Proposal

The price proposal below summarizes the pricing for both the Managed Services with complementary Premier Services designed to span the requested time period, including a three (3) year period with two (2) option years for a total of up to five (5) years.

Service	PRICE

Managed Services (Fixed Price)
• Monthly management of the on-premise infrastructure/architecture (as described above) hosting the ArcGIS Enterprise environment implementation
• Annual breakdown:
  • Year 1: $31,900
  • Year 2: $33,100
  • Year 3: $34,500
  • Year 4: $35,800 (option)
  • Year 5: $37,300 (option)
	$ 172,600

Premier Support Services (Time & Materials) • Vehicle for to accommodate ad hoc access to NV5 GIS and location technology services to support such tasks as administration, configuration, automation, integration, documentation, analysis, deployment, troubleshooting, and knowledge transfer/training. • Estimated 2,291 hours spanning up to 5-years (actual hours will vary based on staffing requirements and annual spread) • The distribution of budget across the period of performance will be determined in collaboration with the City • Leveraging the NV5 hourly rates (included in the section below)	$ 600,000
Total	**$ 772,600**

NV5 Rates

The following hourly rates will be applied for Premier Support services, broken down by labor category and time period. To acknowledge the robust partnership we have established with the City, the rates for the first interval have been discounted to be nearly flat with (actually slightly less than) the rates during the final interval of the previous contract.

Labor Category	Until 6/30/27	7/1/27 - 6/30/28	7/1/28-6/30/29	7/1/29 - 6/30/30	7/1/30 - 6/30/31
Solutions Architect	$ 255.57	$ 263.23	$ 271.13	$ 279.26	$ 287.64
Sr Solutions Architect	$ 315.95	$ 325.43	$ 335.19	$ 345.25	$ 355.61
Project Manager	$ 255.57	$ 263.23	$ 271.13	$ 279.26	$ 287.64
Sr Project Manager	$ 315.95	$ 325.43	$ 335.19	$ 345.25	$ 355.61
Geospatial Developer	$ 236.50	$ 243.59	$ 250.90	$ 258.43	$ 266.18
Sr Geospatial Developer	$ 283.79	$ 292.31	$ 301.08	$ 310.11	$ 319.41
Geospatial Analyst	$ 158.96	$ 163.73	$ 168.64	$ 173.70	$ 178.91
Sr Geospatial Analyst	$ 190.01	$ 195.71	$ 201.58	$ 207.63	$ 213.86
Solutions Engineer	$ 236.50	$ 243.59	$ 250.90	$ 258.43	$ 266.18
Sr Solutions Engineer	$ 283.79	$ 292.31	$ 301.08	$ 310.11	$ 319.41

Assumptions

- NV5 will be provided autonomous access to the City ArcGIS environment via VPN (or similar solutions with comparable speed and security), including appropriate administrative rights/permissions to perform the requisite managed service.
- All software licensing (e.g., Esri, RDBMS, virus protection, SSL, other third-party) will be procured and provided by the City of Ontario.
- NV5 Managed Services is designed to facilitate *infrastructure management only* and does not include ad hoc or request driven support for broader GIS tasking, administration, troubleshooting, or technical support, which instead falls under the proposed NV5 Premier Services.
- Monthly managed service fees are subject to change if the environment/architecture changes.
- NV5 is not responsible for on-premise infrastructure availability, which falls to the City IT department.
- The performance or responsiveness of the proposed infrastructure may be influenced by the bandwidth/capacity of the network through which the infrastructure and supporting services are accessed, which is beyond the control of NV5 and will be considered out of scope.
- NV5 is not responsible for data creation, generation, cleansing, or transformation as part of the proposed managed services. These tasks may be considered under the proposed NV5 Premier Services.
- Software version upgrades are not included in the standard managed services, but may be requested through the NV5 Premier Services contract.
- Traditional IT support will be facilitated by the City.

Exhibit "A"

Service	Not-to-Exceed Amount	Account
Implementation services to upgrade and migrate the City's Cityworks asset management system to Trimble Unity Maintain, a cloud-based SaaS platform	$46,750	Other Professional Services/6021/ITD005/MS2503
Same as above	$50,000	Other Professional Services/5210/ITD005/MS2503
Same as above	$100,000	Other Professional Services/5011/WTR005
Configuration and migration of potable water, recycled water, and sewer GIS data to the Utility Network framework	$502,500	Other Professional Services/5011/WTR005
Ongoing management services and premier support services for the City's enterprise GIS environment	$772,600	Other Professional Services/6020/ITD002
10% Contingency	$147,185	
Total Not to Exceed Contract Amount	**$1,619,035**	

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Adrian Escamilla Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Jacqueline Leon, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 12

SUBJECT: **AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH THIRTIETH STREET ARCHITECTS FOR THE DOWNTOWN MOBILITY HUB PROJECT**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 9 to the Design Services Agreement with Thirtieth Street Architects, Inc., of Costa Mesa, California, for additional architectural services for the Downtown Mobility Hub Project in the amount of $50,000 for a total not-to-exceed contract amount of $1,334,900; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: The recommended Amendment No. 9 to the Design Services Agreement with Thirtieth Street Architects, Inc., is in the amount of $50,000 for a total not-to-exceed contract amount of $1,334,900. The Fiscal Year 2025-26 Adopted Budget includes partial appropriations in the Grants Fund. If approved, additional appropriations will be included in future quarterly budget updates to the City Council as needed for the Downtown Mobility Hub Project.

BACKGROUND & ANALYSIS: On August 19, 2025, the City Council approved Amendment No. 8 to the Design Services Agreement with Thirtieth Street Architects, Inc., to provide ongoing historic preservation services for Downtown Ontario. Since that time, additional architectural support has been required during construction of the Downtown Ontario Mobility Hub Project.

The project schedule has been extended due to continued construction administration efforts and delays that are primarily attributable to external factors, including Southern California Edison's building energization timeline and unforeseen field conditions encountered during construction.

These delays have required additional coordination, revised drawings, and ongoing responses to contractor requests to maintain project continuity.

The project is now approximately 75 percent complete and is anticipated to be substantially completed in mid-June 2026, subject to Southern California Edison energizing the building.

Amendment No. 9 will provide additional funding for continued construction administration services, including responses to contractor requests, revised drawings to address field conditions and incorporate City standards, additional field inspections, and coordination related to utility energization delays.

Staff recommends approving Amendment No. 9 to ensure timely completion of the project.

CITY OF ONTARIO
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JIM W. BOWMAN
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CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 9 TO THE DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND THIRTIETH STREET ARCHITECTS, INC.

1. Parties and Date.

This Amendment No. 9 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and **Thirtieth Streets Architects, Inc.** a Corporation ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Consultant have entered into an agreement entitled "Design Services Agreement" dated February 15, 2021 ("Agreement"). ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to revise the scope of services for the D&C23-026 Downtown Mobility Hub set forth in Amendment No. 9 and increase the not-to-exceed compensation amount by Fifty Thousand Dollars and Zero Cents ($50,000). The Parties have heretofore entered into Amendment No. 1 dated September 26, 2022, Amendment No. 2 dated August 24, 2023, Amendment No. 3 dated November 1, 2023, Amendment No. 4 dated March 19, 2024, Amendment No. 5 dated June 4, 2024, Amendment No. 6 dated August 20, 2024, Amendment No. 7 dated September 17, 2024, Amendment No. 7a dated October 1, 2024, and Amendment No. 8 dated August 19, 2025.

2.3 Amendment Authority. This Amendment No. 9 is authorized pursuant to Section 3.37 of the Agreement.

3. Terms.

3.1 Amendment. Section 3.10.1 of the Agreement is hereby amended in its entirety to read as follows:

"3.10.1 Consultant's Compensation for Basic Services. City shall pay to consultant, for the performance of all Services rendered under this Agreement, with the total not to exceed amount of **One Million Three Hundred Thirty-Four Thousand Nine Hundred Dollars ($1,334,900)** ("Total Compensation"). This Total Compensation amount shall be based upon, and may be adjusted according to, the fee schedule and related terms and conditions. The Total Compensation, as may be adjusted upon mutual agreement, shall constitute complete and adequate payment for Services under this Agreement."

Exhibit B is hereby deleted in its entirety and replaced with Attachment A attached hereto and incorporated herein by reference.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 9, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 9. From and after the date of this Amendment No. 9, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 9.

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 9.

3.4 Severability. If any portion of this Amendment No. 9 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5 Integration. This Amendment represents the entirety of the Parties' understanding relating to the subject of this Amendment, including written or verbal communications between the Parties, which shall have no relevance unless expressly incorporated herein. This is an integrated amendment.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 9 TO THE DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND THIRTIETH STREET ARCHITECTS, INC.

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 9 as of the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

THIRTIETH STREET ARCHITECTS, INC.

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

[If Corporation, TWO SIGNATURES, President OR Vice President AND Secretary OR Treasurer REQUIRED]

thirtieth
street
architects
inc.

founding principals
john c. loomis, architect
james c. wilson, architect

principal
elwood l. gulley, architect

March 18, 2026

Adrian Escamilla
Construction Manager
City of Ontario – Design and Construction
1333 S. Bon View
Ontario, CA 91761

Re: Downtown Mobility Hub
Final Construction Observation Services

Dear Adrian,

It is Thirtieth Street Architects, Inc.'s (TSA) understanding the City of Ontario has entered into an agreement with LG E&C Construction Company (Loengreen Inc.), the General Contractor, whereby the General Contractor has agreed to complete the Downtown Mobility Hub Project within the next 55 days and to pay the Architect, TSA, Inc. directly for construction observation and project closeout services necessary to complete this Project, including the Consultant Team.

The following is a detailed proposal for this Work. PLEASE NOTE – THAT THIS PROPOSAL IS JUST FOR SERVICES FOR THE NEXT 55 DAYS. IF ADDITIONAL SERVICES ARE REQUIRED AFTER THE END OF THE 55 DAYS, THEY WILL BE BILLED AS EXTRA SERVICES (IN ADDITION TO THE FEES LISTED BELOW) ON AN HOURLY BASIS PER THE BILLING RATES LISTED BELOW.

Scope of Work

PHASE I – FINAL CONSTRUCTION OBSERVATION SERVICES

Phase I – Tasks:

1. Review and respond to RFIs from the General Contractor.
2. Review and comment on any final Submittals.
3. Attend weekly Teams Meetings.
4. Visit the site every two weeks to observe the construction first-hand and prepare a Field Report.
5. Coordinate with the City of Ontario.

Phase I – Products:

1. Miscellaneous communications documenting the progress of the Project.
2. Bi-weekly Field Report.

architecture
2821 newport blvd.
phone (949) 673-2643

historical rehabilitation
newport beach

planning
california 92663
email: tsainc@aol.com

PHASE II – CLOSEOUT SERVICES

Phase II - Tasks:

1. The Architect and Consultant Team shall visit the Project Site when all construction is substantially complete to prepare Punch List(s).
2. The Architect shall perform a final field visit to confirm that all Punch List items have been completed.
3. The Architect shall prepare a brief letter to the City confirming the work appears to be complete and conforming to the current construction standards.
4. Coordination with the City of Ontario.

Phase II - Products:

1. Punch List(s).
2. Architect's Letter of Completion.

Professional Fees

Architect			
Principal	$205/hr.	86	$17,630.00
Licensed Architect	$180/hr.	129	$23,220.00
Civil Engineer	$200/hr.	8	$1,600.00
Landscape Architect	$150/hr.	10	$1,500.00
Structural Engineer	$220/hr.	10	$2,200.00
Mechanical, Plumbing, & Electrical	$175/hr.	22	$3,850.00
Total		265	$50,000.00

END OF AGREEMENT

CITY OF ONTARIO
DESIGN & CONSTRUCTION

Adrian Escamilla

Adrian Escamilla
Construction Manager

THIRTIETH STREET ARCHITECTS, INC.

John C. Loomis Lic. #C8684
President

James C. Wilson

James C. Wilson Lic. #C8994
Secretary/C.F.O.

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Cynthia Heredia-Torres Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Jacqueline Leon, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 13

SUBJECT: **A CONSTRUCTION CONTRACT WITH MCCARTHY BUILDING COMPANIES, INC. FOR DESIGN-BUILD CONSTRUCTION SERVICES FOR THE D-BLOCK PARKING STRUCTURE**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Construction Contract with McCarthy Building Companies, Inc., of Newport Beach, California, to provide design-build construction services for the D-Block Parking Structure in the amount of $24,711,514 and authorize a contingency of $2,471,151 for a total not-to-exceed contract amount of $27,182,665; and
   Authorize the City Manager, or his designee, to execute all documents required for the completion of the project including which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The recommended Construction Contract with McCarthy Building Companies, Inc., is in the amount of $24,711,514 plus a contingency of $2,471,151 for a total not-to-exceed contract amount of $27,182,665. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Projects Fund for the D-Block Parking Structure.

BACKGROUND & ANALYSIS: The D-Block Parking Structure will consist of a five-story facility providing approximately 411 parking spaces at the corner of E Street and Lemon Avenue. The structure is intended to provide the necessary public parking to support future mixed-use development in Downtown Ontario.

In March 2026, the City solicited prequalification proposals from Design-Build entities interested in constructing a multi-story parking structure on Vineyard Avenue and Riverside Drive to accommodate parking for the proposed Sports Complex. Five submittals were received and deemed responsive. Those five qualified firms were subsequently invited to submit proposals for the design and construction of a five-story parking structure. Two proposals were received and evaluated, with the following results:

CONTRACTOR NAME	AVERAGE SCORE
McCarthy Building Companies, Inc.	8.75
Bomel Construction	7.75

A selection committee comprised of City staff from the Planning, Public Works, and Building Departments reviewed and scored each proposal based on design appearance, responsiveness to the bid documents, project delivery schedule, and demonstrated qualifications. McCarthy Building Companies, Inc., received the highest overall rating and was determined to be the most responsive and responsible proposer. Their proposal provided the strongest combination of exterior design, delivery timeline, and relevant project experience. Recent comparable projects completed by McCarthy include the C-Block Parking Structure, City Hall Parking Structure, Corona Metrolink Parking Structure, Pomona Valley Hospital Parking Structure, and the Corona Emergency Expansion Parking Structure.

Staff recommends approving a Construction Contract Agreement with McCarthy Building Companies, Inc. for the D-Block Parking Structure Project. The project is anticipated to be operational by November 2026.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. D&C24-018 is made and entered as of _____, by and between City of Ontario, with its principal place of business at 303 East "B" Street, Ontario, CA 91764, sometimes hereinafter called the "City" and **McCarthy Building Companies, Inc.**, sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

D&C24-018 D-Block Parking Structure

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **390 calendar days** from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Twenty - Four Million Seven Hundred Eleven Thousand Five Hundred Fourteen Dollars ($24,711,514)**. Payment shall be made as set forth in the

General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $2,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

Consistent with Public Contract Code Section 7102, Contractor will be compensated for damages incurred due to delays for which the City is responsible. The parties agree that determining Contractor's exact delay damages is and will continue to be impracticable and extremely difficult. As such, for each calendar day in excess of the Contract Time, the City shall pay to the Contractor $500 per day as Reverse Liquidated Damages and not as a penalty or forfeiture. Such amount shall constitute the only payment allowed for any City caused delays and shall necessarily include all overhead, all profits, all administrative costs, all bond costs, all labor, materials, equipment and rental costs and any other costs, expenses and fees incurred or sustained as a result of such delays. Notice of requests for delay damages and additional days shall be provided to the City within five (5) Days from the discovery of the circumstances giving rise to any delay or three (3) Days from the discovery of any latent or subsurface conditions giving rise to a delay.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following

Instructions to Bidders
Bid Forms
Bid Acknowledgement
Bid Schedule
Bid Guarantee
Designation of Subcontractors
Information Required of Bidders
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications

Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

MCCARTHY BUILDING COMPANIES, INC.

[IF CORPORATION, TWO SIGNATURES, PRESIDENT **OR** VICE PRESIDENT **AND** SECRETARY **OR** TREASURER **REQUIRED**]

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Housing Prepared By: Albert Ramirez Department: Prepared By: Albert Ramirez Staff Member Presenting: Helen McAlary, Executive Director Community Life and Culture Reviewed By: Lacey A Rightmer, Kelly Zackmann Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 14

SUBJECT: **ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIPS , AND EMERGENCY SOLUTIONS GRANT (ESG) PROGRAMS FOR FISCAL YEAR 2026-27**

RECOMMENDATION: That the City Council take the following actions:

A. Approve the One-Year Action Plan for Fiscal Year 2026-27 for the Community Development Block Grant (CDBG), HOME Investment Partnerships, and Emergency Solutions Grant (ESG) Programs (on file in the Records Management Department);
B. Direct Staff to prepare and transmit the final documents to the U.S. Department of Housing and Urban Development (HUD); and
C. Authorize the City Manager, or his designee, to take all actions necessary or desirable to implement the One-Year Action Plan for Fiscal Year 2026-27 and Subrecipient Agreements.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: In Fiscal Year 2026-27, the City expects to receive $1,792,994 in CDBG funds, with an additional $919,871 in contingency amounts, for a total of $2,712,865. The City is also estimated to receive $655,092 in HOME funds and $161,712 in ESG funds from HUD. If approved, additional appropriations and revenues will be included in the Community Development Block Grant and HOME Grant funds in a future Annual Budget to City Council for approval as needed.

BACKGROUND & ANALYSIS: HUD requires that cities prepare and adopt an annual Action Plan for each year of the Five-Year Consolidated Plan. This plan outlines how the City will use CDBG, HOME, and ESG funds.

The Fiscal Year 2026-27 One-Year Action Plan is the second annual plan under the City's 2025-29 Five-Year Consolidated Plan.

A public meeting was held on March 26, 2026, to solicit community input in developing the One-Year Action Plan. The following day, a notice was published in the Daily Bulletin announcing that the draft Action Plan would be available for public review through May 4, 2026.

For Fiscal Year 2026-27, the City anticipates receiving $1,792,994 in CDBG funds, along with $919,871 in contingency amounts, for a total CDBG allocation of $2,712,865. In addition, the City expects to receive $655,092 in HOME funds and $161,712 in ESG funds from HUD.

The City's CDBG, HOME, and ESG allocations from HUD for Fiscal Year 2026-27, as compared to last year's allocations, are illustrated below:

	Fiscal Year 2025-26	**Fiscal Year 2026-27**	**Difference**
CDBG	$1,839,944	$1,792,994	$(46,950)
Available CDBG Contingency	$380,382	$919,871	$539,489
HOME	$676,960	$655,092	$(21,868)
ESG	$159,530	$161,714	$2,182
TOTAL	**$3,056,816**	**$3,529,671**	**$472,853**

The One-Year Action Plan outlines how these funds will be used to support the priorities identified in the Consolidated Plan. These activities focus on improving the quality of life for low-and moderate-income residents and addressing urgent community development needs. The detailed proposed funding allocations for Fiscal Year 2026-27 are attached.

CDBG funds will support a variety of activities, including public infrastructure improvements such as street and sidewalk repairs and accessibility upgrades. They will also support public services for seniors, youth, and individuals with disabilities, as well as code enforcement efforts to preserve the City's existing affordable housing stock and improve overall living conditions.

HOME funds will focus primarily on the development of affordable rental housing and providing tenant-based rental assistance. This includes financing the construction of new rental units and providing rental assistance to low-income households to help them secure and maintain stable housing.

ESG funds focus on assisting individuals and families who are experiencing homelessness or are at risk of homelessness. Funded activities include emergency shelter operations, rapid rehousing assistance, homelessness prevention services, and supportive services such as case management. ESG funds will help the City respond to immediate housing crisis while also promoting long-term housing stability.

Fiscal Year 2026-27 is a renewal year, and applications were not solicited from external agencies. Instead, funding will continue to support previously-approved programs that have proven effective

and align with the City's strategic goals.

Upon City Council approval, Staff will submit the Fiscal Year 2026-27 One-Year Action Plan to HUD before the required deadline of May 15, 2026.

EXHIBIT A

FISCAL YEAR 2026-27 ESTIMATED FUNDING ALLOCATION SUMMARY

RECOMMENDED CDBG FUNDING-

Proposed Programs	Implementing Agency	Amount
Administration	City of Ontario Housing Services	$ 358,598
Fair Housing	Inland Fair Housing and Mediation Board	$ 27,000
Housing Mediation	Inland Fair Housing and Mediation Board	$ 15,000
Senior Services	Inland Fair Housing and Mediation Board	$ 10,000
Family Stabilization at Sova Program Center	Inland Valley Hope Partners	$ 20,000
Community Improvement Team (CIT)	City of Ontario Community Improvement	$ 100,000
KEYS Home Rehabilitation Loan Program	City of Ontario Housing Services	$ 250,000
Services for Battered Women and Children	House of Ruth	$ 20,000
Rubber-Polymer Modified Slurry Seal (RPMSS) Project	City of Ontario Engineering	$ 1,485,318
Downtown Storefront Façade Improvement Program	City of Ontario Economic Development	$ 125,000
City-Wide Storefront Façade Improvement Program	City of Ontario Economic Development	$ 125,000
SYMBA Ontario Wellness Center Program	SYMBA	$ 176,949
	TOTAL	**$ 2,712,865**

RECOMMENDED HOME FUNDING

Proposed Programs	Implementing Agency	Amount
Tenant Based Rental Assistance Program	City of Ontario Community, Life, and Culture	$ 491,320
Community Housing Development Organizations (CHDOs) Housing Program	CHDOs	$ 98,263
Administration	City of Ontario Community, Life, and Culture	$ 65,509
	TOTAL	**$ 655,092**

RECOMMENDED ESG FUNDING

Proposed Programs	Implementing Agency	Amount
Administration	City of Ontario Community, Life, and Culture	$ 12,128
Emergency Rent Protection Program	City of Ontario Community, Life, and Culture	$ 123,584
Family Stabilization at Sova Program Center	Inland Valley Hope Partners	$ 26,000
	TOTAL	**$ 161,712**

2026-27 ONE-YEAR ACTION PLAN

May 5, 2026

Prepared by the

City of Ontario Housing Services Department
303 East B. Street
Ontario, CA 91764
(909) 395-2006

DRAFT

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DRAFT

CITY OF ONTARIO

DRAFT

2026-27 One Year Action Plan

Executive Summary

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

Introduction

Ontario's Consolidated Plan identifies the City's overall housing and community development needs and outlines a strategy to address them. The primary purpose of the Consolidated Plan is to match HUD resources from Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Solutions Grant (ESG) with the identified needs and strategies. The Consolidated Plan provides a centralized analysis of community needs coupled with a five-year strategy for addressing these needs. The current Consolidated Plan covers the period from July 1, 2025, through June 30, 2029.

The One-Year Action Plan identifies specific goals consistent with the Five-Year Strategy and lists projects, programs, and resources that will be used to implement the Strategy during Fiscal Year 2026-27. This plan covers the period from July 1, 2026, through June 30, 2027.

During FY 2026-27, the City of Ontario will receive the following federal funds:

Program	FY 2026-27
Community Development Block Grant Program (CDBG)	$1,792,994
Anticipated CDBG Program Income	$0
Available CDBG Contingency (Roll Over from Prior Year)	$638,040
HOME Investment Partnership Program (HOME)	$655,092
Anticipated HOME Program Income	$0
Available HOME Contingency (Roll Over from Prior Year)	$0
Emergency Solutions Grant Program (ESG)	$161,712
Available ESG Contingency (Roll Over from Prior Year)	$0
TOTAL	**$3,247,838**

The table on the following page identifies the total recommended allocation of CDBG, HOME, and ESG resources and the specific recommended allocations for housing and community development projects and programs

DRAFT

PROPOSED PROGRAMS (CDBG, HOME AND ESG ALLOCATIONS)					
PROPOSED PRIORITIES	**PROPOSED PROGRAMS**	**CDBG**	**HOME**	**ESG**	**TOTAL**
HOUSING STRATEGY					
Goal #1: Expand affordable rental housing opportunities, particularly for low income persons.					
	Tenant Based Rental Assistance (TBRA)	$0	$491,320	$0	**$491,320**
	GOAL #1 SUBTOTAL	**$0**	**$491,320**	**$0**	**$491,320**
Goal #2: Create new, preserve and rehabilitate existing rental and owner-occupied housing units.					
	Community Improvement Team (Code Enforcement)	$100,000	$0	$0	**$100,000**
	Single-Family/Multi-Family New Construction and Rehabilitation	$0	$0	$0	**$0**
	KEYS Homeowner Rehabilitation Loan Program	$250,000	$0	$0	**$250,000**
	GOAL #2 SUBTOTAL	**$350,000**	**$0**	**$0**	**$350,000**
Goal #3: Increase affordable homeownership opportunities, particularly for low- and moderate-income persons.					
	Community Housing Development Organizations (CHDOs) Housing Program	$0	$98,263	$0	**$98,263**
	GOAL #3 SUBTOTAL	**$0**	**$98,263**	**$0**	**$98,263**
HOMELESS STRATEGY					
Goal #1: Preserve and improve the supply of supportive housing and public services for the homeless.					
	Emergency Rent Protection Program	$0	$0	$123,584	**$123,584**
	Family Stabilization Program at SOVA Program Center (Inland Valley Hope Partners)	$20,000	$0	$26,000	**$46,000**
	Housing Services for Survivors of Domestic Violence	$20,000	$0	$0	**$20,000**
	SYMBA Ontario Wellness Campus Program	$176,949	$0	$0	**$176,949**
	GOAL #1 SUBTOTAL	**$216,949**	**$0**	**$149,584**	**$366,533**
SPECIAL NEEDS STRATEGY					
Goal #1: Provide supportive services for special needs populations.					
	Senior Support Services (Inland Fair Housing and Mediation Board)	$10,000	$0	$0	**$10,000**
	GOAL #1 SUBTOTAL	**$10,000**	**$0**	**$0**	**$10,000**
FAIR HOUSING STRATEGY					
Goal #1: Continue to implement the Fair Housing laws by providing funding to further fair housing.					
	Fair Housing (Inland Fair Housing and Mediation Board)	$27,000	$0	$0	**$27,000**
	Landlord/Tenant Mediation (Inland Fair Housing and Mediation Board)	$15,000	$0	$0	**$15,000**
	GOAL #1 SUBTOTAL	**$42,000**	**$0**	**$0**	**$42,000**
COMMUNITY DEVELOPMENT STRATEGY					
Goal #1: Provide for needed infrastructure improvements in target lower- and moderate-income neighborhoods.					
	Pavement Management Rehabilitation (Engineering)	$1,485,318	$0	$0	**$1,485,318**
	GOAL #1 SUBTOTAL	**$1,485,318**	**$0**	**$0**	**$1,485,318**

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Goal #2: Provide for new community facilities and improve the quality of existing community facilities to serve lower- and moderate-income neighborhoods.					
		$0	$0	$0	**$0**
	GOAL #2 SUBTOTAL	**$0**	**$0**	**$0**	**$0**
Goal #3: Provide needed community services to serve lower and moderate income residents.					
		$0	$0	$0	**$0**
	GOAL #3 SUBTOTAL	**$0**	**$0**	**$0**	**$0**
Goal #4: Expand the City's economic base and promote greater employment opportunities.					
	Downtown Storefront Façade Improvement Program	$125,000	$0	$0	**$125,000**
	City-Wide Storefront Façade Improvement Program	$125,000	$0	$0	**$125,000**
	GOAL #3 SUBTOTAL	**$250,000**	**$0**	**$0**	**$250,000**
ADMINISTRATION					
	City of Ontario	$358,598	$65,509	$11,128	**$435,235**
	Family Stabilization Program at SOVA Program Center (Inland Valley Hope Partners)	$0	$0	$1,000	**$1,000**
ADMINISTRATION SUBTOTAL		**$358,598**	**$65,509**	**$12,128**	**$436,235**
TOTAL		**$2,712,865**	**$655,092**	**$161,712**	**$3,529,669**
FY 26-27 ALLOCATION		**$1,792,994**	**$655,092**	**$161,712**	**$2,609,798**
ANTICIPATED PROGRAM INCOME		**$0**	**$0**	**$0**	**$0**
AVAILABLE CONTINGENCY FROM PRIOR YEARS		**$919,871**	**$0**	**$0**	**$919,871**
TOTAL		**$2,712,865**	**$655,092**	**$161,712**	**$3,529,669**

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Summarize the objectives and outcomes identified in the Plan

Based on the *Needs Assessment – Resident Survey*, community meetings, consultation with other organizations, individual interviews, housing market and needs study, and other factors, the City of Ontario has developed the following five-year strategies to address the priority needs found in the FY 2025-29 Consolidated Plan:

Housing Strategy

Goal #1: Expand affordable rental housing opportunities, particularly for low-income persons. (Estimated households assisted in FY 2024-25: 48)

Goal #2: Create new, preserve, and rehabilitate existing rental and owner-occupied housing resources. (Estimated housing units preserved in FY 2024-25: 315)

Goal #3: Increase affordable homeownership opportunities, particularly for low- and moderate-income persons. (Estimated housing units developed in FY 2024-25: 0)

Homeless Strategy

Goal #1: Preserve and improve the supply of supportive housing and public services for the homeless and homelessness prevention services. (Estimated number of persons assisted for FY 2024-25: 1,870)

Special Needs Strategy

Goal #1: Provide supportive services for special needs populations. (Estimated number of persons assisted for FY 2024-25: 20)

Fair Housing Strategy

Goal # 1: Continue to implement the Fair Housing laws by providing funding to further fair housing. (Estimated number of persons assisted for FY 2024-25: 756)

Public Housing Strategy

Goal #1: Continue to support the on-going efforts of the Housing Authority of the County of San Bernardino and the Ontario Housing Authority to maximize the use of rental assistance subsidies and other resources in the City. (Estimated number of persons assisted for FY 2024-25: 0)

Lead Hazard Strategy

Goal #1: Reduce the number of housing units with lead paint hazards through education, inspection, and rehabilitation. (Estimated number of households assisted in FY 2024-25: 0)

Community Development Strategy

Goal #1: Provide needed public infrastructure improvements in target lower and moderate-income neighborhoods. (Estimated number of persons assisted for FY 2024-25: 37,610)

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Goal #2: Provide for new community facilities and improve the quality of existing community facilities to serve lower and moderate-income neighborhoods. (Estimated number of new public facilities for FY 2024-25: 9)

Goal #3: Provide needed community services to serve lower and moderate-income residents. (Estimated number of persons assisted for FY 2024-25: 45)

Goal #4: Expand the City's economic base and promote greater employment opportunities. (Estimated number of businesses assisted for FY 2024-25: 2)

Evaluation of past performance

The City was able to make progress toward achieving many of its short and long-term housing and community development goals established within the FY 2020-24 Consolidated Plan. These efforts were reflected in the creation and implementation of proactive programs and projects designed to increase the availability of affordable housing, construction of a number of important infrastructure improvements, and preservation/expansion of public service programs and have been detailed in the annual submission of the Consolidated Annual Performance and Evaluation Reports.

Listed below is a brief summary of the goals and accomplishments from the FY 2020-24 Consolidated Plan. Please note the accomplishment data is through June 30, 2025.

A. Housing Strategy

Priority 1: Expand affordable rental housing opportunities, particularly for low-income persons.

Five-Year Total Goal: 80

Accomplishments through June 30, 2025, 48 households were assisted through the Tenant Based Rental Assistance Program

Evaluation: The demand for new affordable rental units remains high within Ontario. The City continuously seeks opportunities for funding for construction of additional affordable housing units, including funding that has recently become available through the State of California including the following programs: Affordable Housing and Sustainable Communities Program (AHSC), Veterans Housing and Homeless Prevention Program (VHHP), and other new possible State funding. The City implemented a Tenant Based Rental Assistance program targeted at chronically homeless individuals and families over the past year.

Priority 2: Preserve existing rental and owner-occupied housing resources.

Five-Year Total Goal: 1,530

Accomplishment through June 30, 2025: 315

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Evaluation: Over the past year, the City implemented the following programs to address this priority:

- Multi-Family Rehabilitation and Monitoring Activities
- Community Improvement Team (Code Enforcement)
- The Neighborhood Preservation Program

The programs had a significant impact on preserving the existing rental and owner-occupied housing stock within Ontario. The demand for these types of services is estimated to remain high for the next year.

Priority 3: Increase affordable homeownership opportunities, particularly for low- and moderate-income persons.

Five-Year Total Goal: 0

Accomplishments through June 30, 2025: 0

Evaluation: The most successful homeownership programs in terms of number of households assisted were operated by private and non-profit housing service organizations. Ontario continues to partner with the private sector and non-profit housing service organizations to increase affordable homeownership opportunities within Ontario utilizing these federal and state programs that are already available to low- and moderate-income households.

B. Homeless Strategy

Priority 1: Preserve and improve the supply of supportive housing and public services for the homeless.

Five-Year Goal: 22,325 persons served

Accomplishments through June 30, 2025: 1,870 persons served

Evaluation: The City of Ontario over the past year continued to operate comprehensive homeless and homelessness prevention activities within Ontario.

The demand for homeless programs and services is still strong. On a federal and state funding level, the availability of funding for transitional housing type products is dwindling. The City has invested local general funds for the development of a homeless campus to provide resources, emergency shelter, and temporary housing to persons experiencing homelessness in the City.

C. Special Needs Strategy

Priority 1: Preserve and improve the supply of supportive housing and public services to special needs populations.

Five-Year Goal: 3,000

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Accomplishments through June 30, 2025: 20 persons served

Evaluation: Over the past year, the City of Ontario encouraged partnerships to deliver supportive housing services and public services to special needs population, including the following programs:

- Senior Services operated by Inland Fair Housing and Mediation Board
- Project Gateway, a supportive housing program to assist chronically homeless households with mental illness secure permanent housing with a myriad of supportive housing services. Project Gateway is a partnership with the Housing Authority of the County of San Bernardino, County of San Bernardino Department of Behavioral Health, Mercy House Living Centers, Ontario Housing Authority, and the City of Ontario.

The funding for the supportive housing programs that were implemented over the past year were successful and the City continues to see demand for these types of services.

D. Fair Housing Strategy

Priority 1: Continue to implement the Fair Housing laws by providing funding to further fair housing.

Five-Year Goals: 7,500 persons served

Accomplishments through June 30, 2025: 756 persons served

Evaluation: The City supported a Fair Housing Program through its partnership with the Fair Housing Mediation Board. This program has continued to assist the City in meeting its obligations to affirmatively further fair housing choice within Ontario.

E. Public Housing Strategy

Priority 1: Continue to support the on-going efforts of the Housing Authority of the County of San Bernardino and the Ontario Housing Authority to maximize the use of Section 8 subsidies and other resources in the City.

Evaluation: The Housing Authority of the County of San Bernardino (HACSB) implements the public housing strategy within Ontario. The HACSB is a Moving-To-Work (MTW) Public Housing Authority. With this designation, the HACSB is permitted to seek exemption from many existing Public Housing and Housing Choice Voucher program rules found in the United States Housing Act of 1937 in pursuit of the three MTW statutory objectives:

- Reduce cost and achieve greater costs of effectiveness in Federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

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- Increase housing choices for low-income families.

The HACSB has implemented a variety of programs that have achieved the MTW statutory objectives listed above.

The City of Ontario continues to believe that a working partnership with the HACSB will provide the greatest opportunity to provide high quality services to Ontario residents with the public housing strategy.

F. Community Development Strategy

The Community Development Strategy did not have annual goals as the goals were generally focused on larger long-term needs. All four priorities will be discussed and evaluated together.

Priority 1: Provide needed infrastructure improvements in target lower- and moderate-income neighborhoods.

Priority 2: Provide for new community facilities, neighborhood enhancement activities, and improve the quality of existing community facilities to serve lower- and moderate-income neighborhoods.

Priority 3: Provide needed community services to serve lower- and moderate-income residents.

Priority 4: Expand the City's economic base and promote greater employment opportunities.

Evaluation: Over the past five years, the City has continued to invest in the City's infrastructure (water, street, sewers, parks, storm drains, and public facilities) and monitor the infrastructure needs. The City continues to thoughtfully focus resources through a Five-Year Capital Improvement Program (CIP). The CIP is used as a tool by the City to: (1) identify capital improvement needs, and (2) coordinate the financing and timing of those needs in a manner that ensures the most responsible and efficient use of the City's limited resources.

The City will continue to utilize the CIP as a tool to identify needs throughout the community and focus resources to address those needs.

As it relates to the community services to serve lower- and moderate-income residents, the City has funded public service providers that have been focused on crime prevention and childcare services. These programs consistently are identified as a high need through outreach to Ontario residents.

Lastly, the City continues to pursue activities to expand the City's economic base and promote greater employment opportunities. The City has actively pursued other funding sources for these activities other than utilizing CDBG for these type of activities.

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Summary of Citizen Participation Process and consultation process

The City of Ontario Housing Services Department is the leading agency for the FY 2026-27 One-Year Action Plan. The City of Ontario Housing Services Department urges citizens to voice their concerns, share their ideas concerning federal programming, and welcomes comments and suggestions.

The One-Year Action Plan Participation section describes how residents and local organizations participated in the development of the One-Year Action Plan. The City of Ontario Department offered numerous opportunities for public input, comment, and review including the following:

- Distribution of the draft Consolidated Annual Performance and Evaluation Report combined with a minimum 15-day public comment period from August 15, 2025, to September 15, 2025.
- One public hearing on September 16, 2025, of the FY 2024-25 Consolidated Annual Performance and Evaluation Report, providing a review of prior performance.
- Distribution of the draft One-Year Action Plan combined with a minimum 30-day public comment period from March 27, 2026, to May 4, 2026.
- One community forums/public hearing on March 26, 2026, to garner citizen comments on the needs, strategies, actions, and projects in the One-Year Action Plan.

Summary of Public Comments

No public comments were received during the Consolidated Annual Performance and Evaluation Report public hearing conducted on September 16, 2025.

No public comments were received during the 15-day public review period of the Consolidated Annual Performance and Evaluation Report from August 15, 2025, to September 15, 2025.

No public comments were received during the One-Year Action Plan March 26, 2026, community meeting. Minutes from this meeting are included in Appendix C.

XXXXXXXXX were received during the One-Year Action Plan presentation to City Council hearing conducted on May 5, 2026. Minutes from that meeting are included in Appendix C.

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2026-27 One Year Action Plan

The Process

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The Process

PR-05 Lead & Responsible Agencies – 91.200(b)

Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	ONTARIO	Housing Services Department
HOME Administrator	ONTARIO	Housing Services Department
ESG Administrator	ONTARIO	Housing Services Department

Table 1 – Responsible Agencies

Narrative (optional)

The City of Ontario Housing Services Department is the lead agency in the administration of CDBG, HOME, and ESG funds and development of the Consolidated Plan. The City of Ontario is an entitlement community and receives CDBG, HOME, and ESG funds directly from HUD.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

Introduction

As part of its research on the needs of low-income residents, and the development of strategies to address those needs, the City of Ontario Housing Services Department consulted with a number of other organizations that provide services to Ontario residents.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The City of Ontario Housing Services Department staff members work on a continual basis with a number of regional agencies, including non-profit agencies, affordable housing providers, San Bernardino County Department of Behavioral Health, the Housing Authority of the County of San Bernardino, and the Ontario Housing Authority. The coordination between the City and these agencies provides better service and resources for the public.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City works in partnership with the County of San Bernardino Office of Homeless Services in support of the County's Continuum of Care to address homelessness on a regional basis. As part of this partnership, the City Staff regularly attend the County of San Bernardino's Interagency Homeless Policy Council. In addition, a staff member from the City is a board member of the West Valley Regional Steering Committee sponsored by the Office of Homeless Services. In 2022, the County of San Bernardino adopted a Homeless Strategic Action Plan. The City supported the development and adoption of this document.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS.

Staff members from the City of Ontario Housing Services Department work in cooperation with Continuum of Care lead agency staff continuously throughout the year. City staff members are members of the San Bernardino County Interagency Homeless Policy Council, the Coordinated Entry System Planning Group, and the HMIS Policy Advisory Group.

Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities.

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Table 2 – Agencies, groups, organizations who participated

Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
Ontario Housing Authority	PHA Other government - Local	Housing Need Assessment Public Housing Needs	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination in providing affordable housing.
Neighborhood Partnership Housing Services, Inc. (NPHS)	Housing Services - Housing Regional organization Community Development Financial Institution	Housing Need Assessment	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination with first-time homebuyer and owner-occupied rehabilitation loan programs, and other programs and services relating to homebuyer education, financial literacy, and homeowner assistance. Coordination with a possible Community Housing Development Organization (CHDO).
AOF/Golden State Community Development Corp.	Housing Services – Housing	Housing Need Assessment	Invited to participate in community meetings/public hearings and a copy of the executive summary was provided for feedback and comments. Coordination with a possible Community Housing Development Organization (CHDO).
Inland Fair Housing and Mediation Board	Services-Elderly Persons Service-Fair Housing	Housing Need Assessment Non-Homeless Special Needs Fair Housing Strategy	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination in providing increased services for senior citizens, fair housing services, landlord/tenant mediation services, fair housing education, testing, and enforcement, first time homebuyer education, and financial literacy programs.

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Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
County of San Bernardino Office of Homeless Services	Services-homeless Other government - County Continuum of Care	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination in providing homeless services in the region, HMIS services, Continuum of Care coordination, and coordinated assessment system.
Ontario-Montclair YMCA	Services-Children	Non-Housing Community Development Strategy	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination of child care for affordable housing residents.
Ontario-Montclair School District	Services-Children Services-Homeless Services-Education	Homeless Needs - Families with children	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Identification and coordination of services for homeless families within the school district.
Ontario Senior Center	Services-Elderly Persons Grantee Department	Non-Homeless Special Needs	Invited to participate in community meeting/public hearing. Coordination of Homeowner Energy Assistance Program (HEAP) services and social services for senior residents within affordable senior housing projects.
Rolling Start, Inc.	Services-Persons with Disabilities	Non-Homeless Special Needs	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination of Section 504 outreach and identifying potential participants for affirmative marketing outreach for affordable housing units.

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Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
San Bernardino County Department of Behavioral Health	Services-Persons with Disabilities Services-Health Health Agency Other government - County	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination of Project Gateway (Shelter Plus Care vouchers) and proactively working together to secure additional resources to serve Ontario residents.
Foothill AIDS Project	Services-Persons with HIV/AIDS	Housing Need Assessment Homelessness Strategy	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination and identification of potential participants for affirmative marketing outreach for affordable housing units.
County of San Bernardino Children and Family Services	Services-Health Health Agency Child Welfare Agency Other government - County	Non-Housing Community Development Strategy	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination for potential bridge housing resources.
Inland Valley Hope Partners	Services-Homeless Services-Health	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination in providing services for the homeless and those at-risk of homelessness and identification of potential participants for affirmative marketing outreach for affordable housing units.
House of Ruth, Inc.	Services-Victims of Domestic Violence	Homelessness Strategy Homeless Needs - Families with children	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination of providing services for victims of domestic violence and potential identification of participants for affirmative marketing outreach for affordable housing units.

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Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
State of California Housing and Community Development	Other government - State	Housing Need Assessment	Participate in various programs that will fund identified community needs (Affordable Housing and Sustainable Communities (AHSC), Veteran Housing and Homeless Prevention (VHHP), Emergency Housing and Assistance Program Capital Development (EHAP-CD), and others). Actively support efforts to create permanent affordable housing funding sources.
Foothill Family Shelter	Services-Homeless	Homelessness Strategy Homeless Needs - Families with children	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination in providing homeless services, transitional housing, and identification of potential participants for affirmative marketing outreach for affordable housing units.
Housing Authority of the County of San Bernardino	PHA	Public Housing Needs	Requested review of public housing needs section and a copy of the executive summary was provided for feedback and comments. Implement permanent supportive housing programs and work together to secure state and federal resources for the region.
SANBAG	Regional organization Planning organization	Economic Development Market Analysis	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination for AHSC funding program.
City of Chino	Other government - Local	Executive Summary	A copy of the executive summary was provided for feedback and comments. Coordinate delivery of services on a regional basis.
City of Rancho Cucamonga	Other government - Local	Executive Summary	A copy of the executive summary was provided for feedback and comments. Coordinate delivery of services on a regional basis.
City of Fontana	Other government - Local	Executive Summary	A copy of the executive summary was provided for feedback and comments. Coordinate delivery of services on a regional basis.

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Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
City of Upland	Other government - Local	Executive Summary	A copy of the executive summary was provided for feedback and comments. Coordinate delivery of services on a regional basis.
City of Pomona	Other government - Local	Executive Summary	A copy of the executive summary was provided for feedback and comments. Coordinate delivery of services on a regional basis.
City of Ontario Economic Development Agency	Services-Employment Grantee Department	Economic Development	Consulted with agency for information related to the economic development delivery portions of the One Year Action Plan. Coordinate for Section 3 compliance, economic development activities, and workforce development.
Ontario Chamber of Commerce	Business Leaders Civic Leaders Business and Civic Leaders	Economic Development	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination of outreach for services to business and economic development activities.
Ontario Police Department	Services - Victims Grantee Department	Non-Housing Community Development Strategy	Consulted with this Agency for portions of the One Year Action Plan related to need for crime prevention/crime awareness programs and services provided by this agency.
City of Ontario Innovation, Performance, and Audit Agency	Broadband Internet Service Providers	Non-Housing Community Development Strategy	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination of expanding access to broadband services.
City of Ontario Fire Department	Emergency Management Agency	Non-Housing Community Development Strategy	Invited to participate in community meeting/public hearing and a copy of the executive summary was provided for feedback and comments. Coordination of emergency management services.

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Identify any Agency Types not consulted and provide rationale for not consulting

All agency types required for consultation were included in the development of this Consolidated Plan.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	San Bernardino County Continuum of Care	Activities to address homeless needs address the goal established in the Homeless Strategy.
The Ontario Plan	City of Ontario Planning Department	Activities are planned to be consistent with housing needs and goals, community development needs and goals, and local priorities.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The City works in cooperation with the County of San Bernardino Department of Behavioral Health, the Housing Authority of the County of San Bernardino, and local partners, to implement the Project Gateway program to provide housing assistance and services for homeless persons. Project Gateway provides 12 Project Based Rental Assistance units at eight different locations throughout the City of Ontario for clients that are homeless and mentally ill, or dual diagnosed. The City of Ontario established the HOME Tenant-Based Rental Assistance ("TBRA") Program to help Ontario's chronically homeless individuals and families secure permanent housing through temporary rental subsidies with or without rental security deposits and/or utility deposits. The program is administered by the City's Housing Services Department staff.

In addition to Project Gateway and HOME TBRA, the city works in cooperation with the House of Ruth and Inland Valley Hope Partners to provide additional housing assistance services to homeless persons and persons who were recently homeless but now live in permanent housing. These organizations provide a wide range of services including housing referrals, assistance in identifying and obtaining resources necessary to obtain housing, transitional housing programs, and emergency shelter.

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AP-12 Participation – 91.105, 91.200(c)

Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The City of Ontario Housing Services Department encourages and solicits the participation of its residents and other local agencies in the process of identifying housing and community development needs.

1. **Summary of Citizen Participation**

   The City of Ontario Housing Services Department developed the FY 2026-27 One Year Action Plan using substantial citizen participation and consultation. The process offered numerous opportunities for public input, comment, and review.

2. **Community Meetings**

   The City of Ontario Housing Services Department conducted a community forum/public hearing on March 26, 2026. At the community meeting, an overview of entitlement programs was provided, and the public review draft FY 2026-27 One Year Action Plan was announced for public review on March 27, 2026. Proposed projects and activities for FY 2026-27 were shared. The meeting was held at 208 W. Emporia St. at 6:00 PM. Bilingual staff was available for translation, as needed.

   Legal and display advertisements were published Legal advertisements were published on March 12, 2026, and March 19, 2026, for the March 26, 2026, meeting. A legal advertisement was published on March 27, 2026, announcing the availability of the FY 2026-27 One-Year Action Plan for a 30-day public review from March 27, 2026, through May 4, 2026. These advertisements were placed in the local newspaper, the Inland Valley Daily Bulletin.

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	Legal advertisements were published in the Inland Valley Daily Bulletin on March 12, 2026, and March 19, 2026, to advertise the community meeting scheduled for March 26, 2026.	No comments were received.		
2	Public Hearing	Non-targeted/broad community	Meeting held on March 26, 2026, at 6:00 p.m. at Ontario City Hall. A presentation was made regarding proposed projects for FY 2026-27.	No comments were received.		
3	Newspaper Ad	Non-targeted/broad community	Legal advertisement was published in the Inland Valley Daily Bulletin on March 27, 2026, to advertise the 30-day public review period.	No comments were received.		

Table 4 – Citizen Participation Outreach

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CITY OF ONTARIO

FY 2026-2027

One-Year Action Plan

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Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The table on the following page identifies funds expected to be received and available for programming during FY 2026-27, which is the second year of the current Consolidated Plan.

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Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan: $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public – federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	$1,792,994	$0	$919,871	$2,712,865	$5,400,000	The CDBG allocation for FY 2026-27 is $1,792,994. A total of $919,871 unallocated CDBG funds is available from prior years. This is the second year of the current Consolidated Plan.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	$655,092	$0	$0	$655,092	$1,970,000	The HOME allocation for FY 2026-27 is $672,147. This is the second year of the current Consolidated Plan
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	$161,712	$0	$0	$161,712	$480,000	The ESG allocation for FY 2026-27 is $161,712. This is the second year of the current Consolidated Plan

Table 5 - Expected Resources – Priority Table

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Explain how federal funds will leverage those additional resources (private, state, and local funds), including a description of how matching requirements will be satisfied.

The City will seek available funding opportunities to leverage federal funds in meeting the goals established by this One Year Action Plan. Potential funding sources that could be used to leverage federal funds include Low Income Housing Tax Credits, Affordable Housing and Sustainable Communities funds, CalHome funds, and local in-lieu fees for the development of affordable housing. HOME funds require a 25% match for each dollar spent. Ontario has previously been designated as a distressed community and anticipates receiving a 50% HOME match reduction for FY 2026-27. HOME match will be provided from available match on hand and from non-federal funding sources used for housing projects. ESG funds require a dollar-for-dollar match for each dollar spent. Ontario works in partnership with agencies receiving ESG funds to provide match from eligible sources.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

The City and the Ontario Housing Authority identified and acquired land for future housing projects pending additional funding to make the projects feasible. At the time of publication, the publicly owned sites shown in the table below have been identified and proposed for future housing development.

Project Name/Property Address(es)	Assessor's Parcel Number(s)
Euclid In-fill (110 E. Maitland St., 1004 S. Euclid Ave.)	1049-511-03, 1049-563-10, 1049-531-02, 1049-531-01
Mission/Mountain	1011-382-09, 1011-382-65
Holt/Allyn	1048-481-27, 1048-481-08, 1048-481-07, 1048-481-06, 1048-481-29, 1048-481-28
Sixth/Holmes	1047-172-17, 1047-172-22
4th and Cucamonga	1048-131-52
115. S. Sultana	1049-09-111

The City entered into a Development and Disposition Agreement with National Community Renaissance for a 130-150 unit project unit project on the Holt and Allyn restricted for tenants with household incomes from 30% AMI to 60% AMI. The project is currently applying for financing and is expected to begin construction in late 2026 or early 2027.

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Goal	Category	Geographic Area	Needs Addressed	Funding
Housing Strategy Goal #1	Affordable Housing	N/A	Affordable Housing – Rental Assistance	CDBG $ 0 HOME $ 491,320 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Affordability	Objective: Provide decent affordable housing
	Description: Expand affordable rental housing opportunities, particularly for low-income persons.			
	Goal Outcome Indicator Tenant-based rental assistance/Rapid Rehousing		Quantity 16	Unit Households assisted
Housing Strategy Goal #2	Affordable Housing	N/A	Affordable Housing – Rehabilitation of Existing Units	CDBG $ 350,000 HOME $ 0 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Affordability	Objective: Provide decent affordable housing
	Description: Preserve existing rental and owner-occupied housing resources.			
	Goal Outcome Indicator Housing Code Enforcement		Quantity 300	Unit Household housing units

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Goal	Category	Geographic Area	Needs Addressed	Funding
Housing Strategy Goal #3	Affordable Housing	N/A	Affordable Housing – Production of new units	CDBG $ 0 HOME $ 98,263 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Affordability	Objective: Provide decent affordable housing
	Description: Increase affordable homeownership opportunities, particularly for low- and moderate-income persons.			
	Goal Outcome Indicator		Quantity	Unit
Homeless Strategy	Homeless	N/A	Homelessness - Outreach Homelessness - Emergency/Transitional Shelter Homelessness - Rapid Re-Housing Homelessness - Prevention	CDBG $ 216,949 HOME $ 0 ESG $ 149,584
	Start Year: 2026 End Year: 2027		Outcome: Availability/Accessibility	Objective: Create suitable living environments
	Description: Preserve and improve the supply of supportive housing and public services for the homeless and homelessness prevention services.			
	Goal Outcome Indicator		Quantity	Unit
	Public service activities other than Low/Moderate Income Housing Benefit		1,700	Persons assisted
	Homeless Person Overnight Shelter		65	Persons assisted
	Homelessness Prevention		2,700	Persons assisted
Special Needs Strategy	Non-Homeless Special Needs	N/A	Community Development - Public Services	CDBG $ 10,000 HOME $ 0 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Availability/Accessibility	Objective: Create suitable living environments
	Description: Provide supportive services for special needs populations.			
	Goal Outcome Indicator		Quantity	Unit
	Public service activities other than low/moderate income housing benefit		600	Persons assisted

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Goal	Category	Geographic Area	Needs Addressed	Funding
Fair Housing Strategy	Non-Housing Community Development	N/A	Community Development - Public Services	CDBG $ 42,000 HOME $ 0 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Availability/Accessibility	Objective: Create suitable living environments
	Description: Continue to implement the Fair Housing laws by providing funding for further fair housing.			
	Goal Outcome Indicator Public service activities other than low/moderate income housing benefit		Quantity 1,500	Unit Persons assisted
Community Development Strategy Goal #1	Non-Housing Community Development	N/A	Community Development - Public Infrastructure	CDBG $ 1,485,318 HOME $ 0 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Availability/accessibility	Objective: Create suitable living environments
	Description: Provide needed public infrastructure improvements in target lower- and moderate-income neighborhoods.			
	Goal Outcome Indicator Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit Other		Quantity 30,000	Unit Persons assisted Public facilities
Community Development Strategy Goal #2	Non-Housing Community Development	N/A	Community Development - Public Facilities	CDBG $ 0 HOME $ 0 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Availability/accessibility	Objective: Create suitable living environments
	Description: Provide new community facilities and improve the quality of existing community facilities to serve lower- and moderate-income neighborhoods.			
	Goal Outcome Indicator Other		Quantity 1	Unit Public facilities

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Goal	Category	Geographic Area	Needs Addressed	Funding
Community Development Strategy Goal #3	Non-Housing Community Development	N/A	Community Development - Public Services	CDBG $ 0 HOME $ 0 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Availability/accessibility	Objective: Create suitable living environments
	Description: Provide needed community services to serve lower and moderate-income residents.			
	Goal Outcome Indicator Public service activities other than low/moderate income housing benefit		Quantity 1,200	Unit Persons assisted
Community Development Strategy Goal #4	Non-Housing Community Development	N/A	Community Development - Economic Development	CDBG $ 125,000 HOME $ 0 ESG $ 0
	Start Year: 2026 End Year: 2027		Outcome: Availability/accessibility	Objective: Create suitable living environments
	Description: Expand the City's economic base and promote greater employment opportunities.			
	Goal Outcome Indicator Businesses Assisted		Quantity 5	Unit Businesses Assisted

Table 6 – Goals Summary

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Goal Descriptions

Goal Name	Goal Description
Housing Strategy Goal #1	Expand affordable rental housing opportunities, particularly for low-income persons.
Housing Strategy Goal #2	Preserve existing rental and owner-occupied housing resources.
Housing Strategy Goal #3	Increase affordable homeownership opportunities, particularly for low- and moderate-income persons.
Homeless Strategy	Preserve and improve the supply of supportive housing and public services for the homeless and homelessness prevention services.
Special Needs Strategy	Provide supportive services for special needs populations.
Fair Housing Strategy	Continue to implement the Fair Housing laws by providing funding for further fair housing.
Public Housing Strategy	Continue to support the on-going efforts of the Housing Authority of the County of San Bernardino and the Ontario Housing Authority to maximize the use of rental assistance subsidies and other resources in the City.
Lead Hazard Strategy	Reduce the number of housing units with lead paint hazards through education, inspection, and rehabilitation.
Community Development Strategy Goal #1	Provide needed public infrastructure improvements in target lower- and moderate-income neighborhoods.
Community Development Strategy Goal #2	Provide for new community facilities and improve the quality of existing community facilities to serve lower- and moderate-income neighborhoods.
Community Development Strategy Goal #3	Provide needed community services to serve lower and moderate-income residents.
Community Development Strategy Goal #4	Expand the City's economic base and promote greater employment opportunities.

Table 7 – Goal Descriptions

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Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

HOME TBRA Program – Projected Total Assisted 16 households

Under this program, HOME TBRA subsidies will be made available to homeless individuals and families meeting the TBRA definition of chronically homeless or the McKinney-Vento Education Programs definition of homeless. These homeless households must be in need of immediate financial assistance in order to obtain affordable housing. The intent of the program is to provide a mechanism to rapidly re-house homeless individuals and families.

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AP-35 Projects – 91.220(d)

Introduction

Based upon the local priorities and available funding, the City Council has determined to distribute CDBG, HOME, and ESG funds to the following projects.

#	Project Name
1	Community Improvement Team
2	Tenant Based Rental Assistance
3	Community Housing Development Organizations (CHDOs) Housing Program
4	ESG26 Homeless Prevention, Rapid Re-Housing, and Administration
5	SYMBA Ontario Wellness Center Program
6	Housing Services for Survivors of Domestic Violence
7	Family Stabilization at SOVA Center
8	Pavement Management Rehabilitation
9	Downtown Storefront Façade Improvement Program
10	City-Wide Storefront Façade Improvement Program
11	KEYS Homeowner Rehabilitation Program
12	Fair Housing (AFFH) Program
13	Landlord/Tenant Mediation Program
14	Senior Support Services
15	Administration

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The projects selected for funding represent programs designed to meet needs identified as medium or high within the FY 2025-29 Consolidated Plan. Funding is limited, so not all projects requesting funding were able to be funded. The City strives to have a broad spectrum of programs to meet the needs of as many populations throughout Ontario as possible.

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Projects

AP-38 Projects Summary

Project Summary Information

1	**Project Name**	Community Improvement Team
	Target Area	
	Goals Supported	Housing Strategy Goal #2
	Needs Addressed	Affordable Housing – Rehab of New Units
	Funding	CDBG: $100,000
	Description	The Community Improvement Team has been specifically designed to proactively implement an intensive code compliance program to address serious code violations within eligible targeted low/mod areas that have been identified as deteriorated areas that are having significant impact on the existing neighborhoods. The boundaries of the area where CIT activities are eligible for CDBG funding are in the following census tracts/block groups CT 001400, BG 1 and 2; CT 001501, BG 1 and 2; CT 001503, BG 1 and 2; CT 001504, BG 1 and 2; CT 001600, BG 1, 3, 4, and 5; CT 001702, BG 1; CT 001706, BG 1, 2, and 3; CT 001707, BG 1 and 2; CT 001812, BG 1 and 2; and CT 001813, BG 1 and 2. Costs incurred for inspections of code violations and the enforcement of code requirements for properties located within eligible focus block groups are eligible for CDBG funding. To ensure long-term program solutions, the team coordinates the resources available with various City departments, including but not limited to: Police, Planning, Housing Services, and Code Enforcement.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 300 housing units will be inspected under this program.
	Location Description	This project is restricted Census Tracts CT 001400, BG 1 and 2; CT 001501 BG 1 and 2; CT 001503, BG1 and 2; CT 001504, BG 1 and 2; CT 001600, BG 1, 3, 4, and 5; CT 001702, BG 1, 2, and 3; CT 001707, BG1 and 2; CT 001812, BG 1 and 2; and CT 001813, BG 1 and 2.
	Planned Activities	Activities that can be funded under this project include inspections and related enforcement activities for serious code violations.

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2	**Project Name**	Tenant Based Rental Assistance
	Target Area	
	Goals Supported	Housing Strategy Goal #1
	Needs Addressed	Affordable Housing - Rental Assistance
	Funding	HOME: $491,320
	Description	This program is designed to assist homeless individuals and families meeting the TBRA definition of chronically homeless or the McKinney-Vento Education Programs definition of homeless obtain and maintain permanent housing units. The program will provide direct financial assistance to each participant up to $30,000, including security and utility deposits. If the tenant is required to pay utilities, this would be deducted from the gross allowed rental cost to determine if the unit is eligible. Unit rental cost must be supported by a review of comparable rental costs of similar units within the neighborhood. Program is provided based upon determined preferences. Eligibility is restricted to households with incomes at or below 50% of area median income. Funding is as follows: 2026-27 HOME Funds - $491,320
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 16 households will be assisted through this program.
	Location Description	
	Planned Activities	The program will provide no more than a one-month security deposit and minimum utility deposits. No pet security deposits or rental increases due to pet costs will be allowed. Assistance will be provided for 12 months. Any deposit not used by the property will be provided as a grant to the tenant upon move-out.

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3	**Project Name**	Community Housing Development Organizations (CHDOs) Housing Program
	Target Area	
	Goals Supported	Housing Strategy Goal #3
	Needs Addressed	Affordable Housing - Production of New Units
	Funding	HOME: $98,263
	Description	This program is designed to preserve, enhance, and improve existing neighborhoods through acquisition, rehabilitation, and/or new construction activities through Community Housing Development Organizations (CHDOs). The Housing Services Department will accept applications for financial assistance from certified CHDOs for proposed high quality housing projects that will enhance the City's efforts to create and preserve a variety of housing opportunities for Ontario residents with a range of affordability requirements. When an eligible project has been identified, the city will undertake an amendment to the One Year Action Plan to properly assign this funding.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	At this time no units are proposed to be completed pending the submission of a proposed project from a qualified CHDO.
	Location Description	
	Planned Activities	

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4		
	Project Name	ESG26 Homeless Prevention, Rapid Re-Housing, and ESG26 Administration
	Target Area	
	Goals Supported	Homeless Strategy
	Needs Addressed	Homelessness - Rapid Re-Housing Homelessness - Prevention
	Funding	ESG: $161,712
	Description	The ESG Eviction Prevention (EEP) Program will provide financial assistance for up to three months rental assistance, with a maximum financial benefit of $10,000, to Ontario Households at-risk of homelessness with incomes at or below 30% AMI. The Family Stabilization Program at SOVA Program Center provides rent and utility assistance and other resources for homeless individuals and those at risk of homelessness.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	The Emergency Rent Protection Program will serve approximately 12 households.
	Location Description	208 W. Emporia St., Ontario, California
	Planned Activities	1. ESG EVICTION PREVENTION PROGRAM: This program will provide short-term rental assistance to income-qualified Ontario households who are at risk of homelessness due to non-payment of rent. ($123,584) 2. FAMILY STABILIZATION AT SOVA PROGRAM CENTER: This program will provide rental and utility assistance as well as rapid re-housing services through the Family Stabilization at SOVA Program Center. ($26,000) 3. ADMINISTRATION: Funds will be utilized to pay for administrative costs related to the provision of programs and services funded by the ESG program. ($12,128)

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5		
	Project Name	SYMBA Ontario Wellness Center Program
	Target Area	
	Goals Supported	Homeless Strategy
	Needs Addressed	Homelessness – Emergency/Transitional Shelter
	Funding	CDBG: $176,949
	Description	The SYMBA Ontario Wellness Center Program will provide case management and program referrals to homeless persons or families who are clients of the Ontario Wellness Center.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	The SYMBA Ontario Wellness Center Program will serve approximately 50 persons.
	Location Description	1522 W. Mission Ave., Ontario, California
	Planned Activities	SYMBA will provide case management and associated services to clients at the Ontario Wellness Center who are currently experiencing homelessness. The program will provide an opportunity to connect recipients to other homeless services.

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6	**Project Name**	Housing Services for Survivors of Domestic Violence
	Target Area	
	Goals Supported	Homeless Strategy
	Needs Addressed	Homelessness - Emergency/Transitional Shelter Homelessness - Rapid Re-Housing
	Funding	CDBG: $20,000
	Description	House of Ruth is a non-profit domestic violence agency, serving battered women and their children for more than 35 years.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	House of Ruth's Services for Battered Women and Their Children will serve approximately 1,200 persons.
	Location Description	
	Planned Activities	Services are provided through the agency's 24-hour crisis hotline, at conveniently located walk-in centers in Ontario and Pomona, and at House of Ruth's emergency and transitional shelters. Safety and self-sufficiency are the focus of all of House of Ruth's programs. The hotline provides crisis counseling, intake to shelter and referral to community services. Women in both residential and non-residential programs are provided with case management, individual and group counseling, safety planning, assistance with accessing mainstream social services, assistance with filing a restraining order, and help with employment and housing needs. Their children may be referred to House of Ruth's Child Abuse Treatment program for therapeutic counseling. Women at the Emergency Shelter also receive emergency transportation, clothing, and all meals. Domestic violence prevention education brings awareness of domestic violence to local communities.

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	Project Name	Family Stabilization at SOVA
	Target Area	
	Goals Supported	Homeless Strategy
	Needs Addressed	Homelessness - Outreach Homelessness - Prevention
	Funding	CDBG: $20,000
	Description	Inland Valley Hope Partners Family Stabilization Program at SOVA Program Center helps families living in poverty maintain their health, stretch their food dollars, and avoid homelessness by providing emergency food, support services, and advocacy.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 3,000 unduplicated persons will benefit from this project.
	Location Description	904 E. California St., Ontario, California
	Planned Activities	The program provides low- and very low-income and homeless individuals and families with emergency food supplies and support services. Participants can obtain a four-five-day supply of basic staple foods, enough to provide approx. 10-15 meals for each family member, every 30 days (homeless clients every two weeks). When available, families and individuals may also receive fresh produce through our Gleaning Hope Program, wholesale vendors and other sources. Clients are also able to access additional support such as hygiene products, baby food and diapers. When funding is available, rental and utility assistance may be accessed, as well as 3-5-day emergency motel vouchers. The full-time case manager at SOVA is available to work with families to coordinate resources and provide vital information and referrals (such as health services, housing, employment) to help clients achieve stability. The case manager is also able to provide some rapid re-housing assistance and case management to families qualified through 211 's Coordinated Entry System.

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8	**Project Name**	Pavement Management Rehabilitation
	Target Area	
	Goals Supported	Community Development Strategy Goal #1
	Needs Addressed	Community Development - Public Infrastructure
	Funding	CDBG: $1,485,318
	Description	This project will renovate existing street surfaces with a rubber-polymer modified slurry seal coating extending the useful life of the street surface for more than 10 years. Project delivery costs are included.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 29,100 persons will benefit from these improvements.
	Location Description	This project is restricted to Census Tracts CT 001305, CT 001308, CT 001310, CT 001501, CT 001503, CT 001504.
	Planned Activities	

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9	**Project Name**	Downtown Storefront Façade Improvement Program
	Target Area	
	Goals Supported	Community Development Strategy Goal #4
	Needs Addressed	Community Development - Public Infrastructure
	Funding	CDBG: $125,000
	Description	The Downtown Façade Improvement Program will facilitate commercial revitalization; stimulate private investment and customer patronage; preserve and beautify the Historic Downtown Area; and generate shopping opportunities by creating a pleasant walking environment resulting from the improved visual aesthetics of commercial building façades.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 5 property/businesses will benefit from these improvements.
	Location Description	This project will be applied to eligible businesses within census tract/block groups CT001400 BG 1 and 2.
	Planned Activities	The Program operates on a reimbursement basis and allows property/business owners to receive financial assistance for program-approved exterior improvements to their building.

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10	**Project Name**	City-Wide Storefront Façade Improvement Program
	Target Area	
	Goals Supported	Community Development Strategy Goal #4
	Needs Addressed	Community Development - Public Infrastructure
	Funding	CDBG: $125,000
	Description	The aims of the CDBG City-Wide Façade Improvement Program are to facilitate commercial revitalization stimulate private investment and customer patronage; beautify storefronts across the City of Ontario; and generate shopping opportunities by creating pleasant walking environments resulting from improved visual aesthetics of commercial building facades.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 5 businesses will benefit from these improvements.
	Location Description	Euclid Plaza: 1739 South Euclid Avenue, Ontario, CA 91762 Ontario Park and Shop: 1119 North Mountain Avenue, Ontario, CA 91762 Ontario Village Shopping Center: 605 West Holt Blvd, Ontario, CA 91762
	Planned Activities	The Program operates on a reimbursement basis and allows property/business owners to receive financial assistance for program-approved exterior improvements to their building.

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11	**Project Name**	Homeowner Rehabilitation Loan Program
	Target Area	
	Goals Supported	Housing Strategy Goal #2
	Needs Addressed	Affordable Housing - Rehab of Existing Units
	Funding	CDBG: $250,000
	Description	This project will provide financial assistance to existing Ontario homeowners and qualified participants in the Keys to Community First-Time Home Buyer Program (FTHB) making necessary repairs to their homes.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 8 households will benefit from this project.
	Location Description	Citywide
	Planned Activities	The Homeowner Rehabilitation Loan Program will provide financial assistance in the form of a 30-year, zero interest loan to income eligible applicants. Eligible improvements include the replacement, repair, and/or improvement of structural components. Necessary ADA-related improvements are also eligible. Eligible applicants can receive maximum financial assistance of up to $30,000.

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12	**Project Name**	Fair Housing (AFFH) Program
	Target Area	
	Goals Supported	Fair Housing Strategy
	Needs Addressed	Community Development - Public Services
	Funding	CDBG: $27,000
	Description	Inland Fair Housing and Mediation Board (IFHMB) will provide Fair Housing services to Ontario residents. The Fair Housing Program will provide information about federal and state fair housing laws and provide assistance with enforcing fair housing laws.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 100 people will benefit from this project.
	Location Description	
	Planned Activities	Ontario residents will be given assistance in filing housing discrimination complaints with HUD and DFEH. IFHMB's fair housing education, outreach, and enforcement activities will address fair housing issues encountered by City residents and assist the City to support and sustain inclusive neighborhoods.

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13	**Project Name**	Landlord/Tenant Mediation Program
	Target Area	
	Goals Supported	Fair Housing Strategy
	Needs Addressed	Community Development - Public Services
	Funding	CDBG: $15,000
	Description	It is from the landlord/tenant complaints that trained mediators at Inland Fair Housing and Mediation Board (IFHMB) assess the validity of the claims made to tenants by landlords (and vice-versa) to determine whether potential fair housing violations have occurred. IFHMB also investigates whether there are systemic elements in policies and procedures that compound the reported violations. These instances provide IFHMB the opportunity to educate landlords on their own rights and responsibilities, preventing future fair housing violations for renters and assisting renters in resolving their housing issues.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 1,400 persons will benefit from these services.
	Location Description	
	Planned Activities	

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14	**Project Name**	Senior Support Services
	Target Area	
	Goals Supported	Special Needs Strategy
	Needs Addressed	Community Development - Public Services
	Funding	CDBG: $10,000
	Description	Inland Fair Housing and Mediation Board (IFHMB) has provided application-based services to seniors in the City of Ontario for the State of California's Home Energy Assistance Program (HEAP) for over 20 years. This project will allow for an expansion of the existing program and provide application assistance to senior citizens to complete and submit the HEAP application and all required documentation. IFHMB will also assist senior citizens with any complaints or information they may need during the workshop.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 600 unduplicated persons will benefit from this project.
	Location Description	
	Planned Activities	The Senior Program Coordinator ensures that only appropriate copies of sensitive documents are submitted to the State as part of the HEAP application, returns the original documents and a copy of the application to the senior, and mails the application to the State. Rebates are returned directly to the applicant.

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15	**Project Name**	Administration
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: $358,598 HOME: $655,092
	Description	This activity will be used to pay for salaries and benefits for those persons administering the CDBG and HOME Programs.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

Table 9 – Project Summary

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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The specific location of housing and community development projects is a crucial issue. While the City does not have any locally identified local target areas, it is important that projects designed to clear blighting conditions are conducted in areas that are actually blighted, and that public service programs are provided at locations convenient to their clients. All HUD funded activities will be implemented in low- and moderate-income service areas, as defined by HUD (which are shown on the map included in Appendix B), with the exception of some public service projects, which are intended to serve CDBG-eligible persons on a citywide basis.

The City has established as a high priority, the investment of CDBG funds into targeted neighborhoods to help the City eliminate slum and blight conditions and improve the living conditions of the residents.

In order for an area to be considered as deteriorated or deteriorating the following conditions shall be met:

- A significant number of the properties located within the area must contain visible code violations affecting the property values in the area (such as lack of or insufficient landscaping, deteriorated paint, accumulations of debris, evidence of deferred maintenance, etc.);
- Infrastructure conditions that require attention (such as lack of sidewalks or sidewalks in disrepair, streets in disrepair, lack of or unmaintained street trees, etc.);
- May contain areas designated as targeted project areas;
- At least three of the five identified factors contributing to deterioration available through Census data shall be met
    - % of population below the poverty level ≥ 20%
    - % of vacant structures ≥ 5%
    - % of total occupied housing units that are overcrowded ≥ 20%
    - % of units lacking complete plumbing and/or kitchen facilities ≥ 1%
    - % of renter and/or owner-occupied units experiencing a cost burden ≥ 30%

Area must demonstrate that both public or private improvements and/or services will occur within the area.

Rationale for the priorities for allocating investments geographically

The City has reviewed proposed projects and designed a program to arrest the decline in qualified areas. This approach includes targeting several projects to a specific area to have the biggest impact on that neighborhood. By allocating CDBG funds geographically, the City is able to change the overall conditions within targeted areas and leverage the use of CDBG funds with other resources.

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Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The tables below delineate the affordable housing goals by population type and program type for FY 2026-27. The City will utilize several programs to achieve these goals, including the Tenant Based Rental Assistance (TBRA) program and the ESG Emergency Rent Protection Program.

One Year Goals for the Number of Households to be Supported	
Homeless	16
Non-Homeless	10
Special-Needs	0
Total	**26**

Table 10 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	26
The Production of New Units	0
Rehab of Existing Units	8
Acquisition of Existing Units	0
Total	**34**

Table 11 - One Year Goals for Affordable Housing by Support Type

Discussion

It is anticipated that some participants assisted through the TBRA Program and ESG Emergency Rent Protection Program may qualify as special needs (elderly or disabled) households, however, without specific information the goal for special needs populations is estimated to be zero.

Introduction

The City will continue to support the Housing Authority of the County of San Bernardino (HACSB) Five-Year Goals/Accomplishments.

Actions planned during the next year to address the needs to public housing

Public housing programs in Ontario are conducted through an agreement with the HACSB. The HACSB manages approximately 823 Housing Choice Vouchers within Ontario. During FY 2026-27, the City of Ontario Housing Services Department will continue to monitor affordable housing units at risk for conversion to market rate. Accordingly, it is the objective of the City that all assisted housing units that are eligible for conversion to non-low-income housing should be preserved. In addition, the HACSB will continue to administer the Family Self-Sufficiency Program within the City during FY 2026-27. In this program, residents sign a five-year contract with the HACSB. As incomes rise with new employment,

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savings accounts are established. After five years, the savings account is available to the household to pay for costs associated with independent living.

The City of Ontario worked in collaboration with HACSB and the Ontario Housing Authority to secure Permanent Supportive Housing (PSH) funding. Twelve (12) PSH vouchers have been awarded to assist qualified households through an application referred to as "Project Gateway." As stated earlier, the City and the Ontario Housing Authority are actively pursuing additional opportunities to secure project-based vouchers to assist in neighborhood revitalization strategies that also support Ontario's Continuum of Care for the homeless.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The City works closely with the HACSB and will provide marketing information when homeownership programs are available for the HACSB to distribute to appropriate public housing residents. In addition, HACSB has one of the most successful Public Housing Agency Homeownership programs on the west coast and continues to promote and progress this very successful program.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The public housing authority is considered a high performer.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City supports a variety of activities to address the needs of homeless persons and the special needs of persons that are not homeless but require supportive housing and special assistance. As part of the One-Year Action Plan, the City will support several programs and projects conducted by non-profit social service providers. Each of these activities was specifically selected for funding through CDBG and ESG programs to address each step along the Continuum of Care. The City sought proposals and applications from a variety of homeless and social service providers prior to allocating CDBG and ESG resources.

This region is fortunate to have a number of organizations, which serve both the general homeless population and specific special segments within the homeless community. In developing the funding allocation, the City supported a diverse selection of providers and cultivated cooperation among those groups in the delivery of their services.

During FY 2005-06, the City began implementing a new Continuum of Care program in coordination with local partners to assist homeless individuals and families transition from homelessness to permanent housing. The Continuum provides a comprehensive homeless strategy to assist homeless individuals and families to become self-sufficient. The programs within the Continuum include the following services: permanent housing units, case management services, and referrals to applicable resources.

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The City worked in collaboration with HACSB and the Ontario Housing Authority to secure Permanent Supportive Housing (PSH) funding. Twelve (12) PSH vouchers have been awarded to assist qualified households through an application referred to as "Project Gateway."

The City established its homeless services outreach team in December 2023. The main goal of the outreach team is to bring awareness of available services and resources to the community to address households who are homeless or at risk of homelessness. Services provided by the outreach team include case management and advocacy for resources such as housing programs, mental health services, substance abuse treatment, employment services, food banks, public benefits, and medical programs. Additionally, the outreach team provides resources to meet immediate needs such as snack bags, bus passes, water, and hygiene kits.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Family Stabilization Program at SOVA Program Center provides food, a service referral database, emergency and transitional shelter information and referrals, and client services.

House of Ruth provides emergency and transitional shelter services, client case management services, domestic violence counseling, and childcare.

The City's Homeless Outreach Team provides program referrals and case management services.

Through the actions the City has described, the City's one year goal for reaching out to homeless persons is 1,700 persons.

Addressing the emergency shelter and transitional housing needs of homeless persons

The House of Ruth provides shelter and special services for victims of domestic violence.

Through the actions the City has described, the City's one year goal for addressing the emergency shelter and transitional needs of homeless persons is 180 persons.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The multi-family housing program, Tenant Based Rental Assistance Program, and the Housing Choice Voucher program (administered by the HACSB) provide rental housing vouchers and affordable housing units. In addition, the City works with other agency partners that offer downpayment assistance homeownership programs for low- and moderate-income families.

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The City's Continuum of Care provides permanent affordable housing units with housing stabilization services to assist formerly homeless individuals and families retain permanent housing. In addition, twelve Permanent Supportive Housing (PSH) vouchers are available for use at Continuum of Care properties.

The Ontario Wellness Campus (OWC) was established to provide emergency shelter and transitional housing to persons experiencing homelessness. Case management and resource referrals are provided to OWC clients to help transition them to the appropriate next-step housing.

Through the actions the City has described, the City's one year goal for helping homeless persons make the transition to permanent housing and independent living is 20 persons.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Several programs, including the Family Stabilization Program at SOVA Program Center and House of Ruth, provide referral services, counseling, case management, and household goods to families at-risk of homelessness, especially those living in poverty or with extremely low incomes. The City works in partnership with the San Bernardino County Department of Behavioral Health, Social Services Department, and Parole and Probation Department to provide referrals and resources to these agencies to assist individuals who are being discharged from mental health facilities, health care facilities, and other institutions.

The City's Measure Q Emergency Rental Assistance and ESG Eviction Prevention Program provide rental assistance to Ontario residents who are at risk of homelessness through eviction.

Through the actions the City has described, the City's one year goal for helping low-income individuals and families avoid becoming homeless is 3,000 persons.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

In addition to the housing activities already discussed in the One-Year Action Plan, the City will address key fair housing recommendations and objectives identified in the Assessment of Fair Housing (AFH).

The AFH addresses five specific target groups, tenants and property purchasers, property owners and managers, realtors, lenders and local government. Recommendations, actions, and a time period for completion will be completed for each target group.

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Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Although the City does not have control over a number of factors that present barriers to affordable housing, the City does implement many programs to help facilitate the construction of affordable housing and assist renters and homeowners.

The City implements various housing programs to reduce or modify development standards that add costs to constructing affordable housing. These may include modification of parking, open space, and other standards through administrative exceptions. Moreover, considerable fee reductions are offered in return for affordability agreements. Finally, developers of affordable housing are also able to secure density bonuses that work to increase the cash flow of a project and indirectly mitigate the cost of construction, land costs, and financing constraints.

AP-85 Other Actions – 91.220(k)

Actions planned to address obstacles to meeting underserved needs

The primary obstacle for the City in meeting underserved needs is the lack of adequate financial resources to meet the growing needs of low- and moderate-income persons, including the homeless population. As such, the City will continue to seek opportunities to obtain additional funding from other resources to leverage the use of HUD funds. The City monitors funding available from the State of California and other regional governmental entities to support the construction of affordable housing. In addition, the City utilizes other resources to fund public infrastructure and public facilities parks to enhance services provided to Ontario residents.

Actions planned to foster and maintain affordable housing

The City continues to monitor affordable housing units within Ontario to ensure ongoing affordability. In addition, the City has identified the following programs and actions to foster and maintain affordable housing:

- Tenant-Based Rental Assistance, which provides rental assistance to families experiencing homelessness.
- Measure Q Emergency Rental Assistance (ERA) program assists households who have experienced recent financial hardship, putting them at risk of homelessness.
- Research and pursuit of funding opportunities to add affordable housing units to City inventory.

Actions planned to reduce lead-based paint hazards

The City will continue to implement the HUD regulations concerning lead-based paint testing and abatement. Currently, City staff informs residents of activities in any housing rehabilitation program about lead-based paint hazards. This policy applies regardless of whether there are children present in

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the households. Furthermore, all rehabilitation projects are administered in compliance with HUD regulations concerning lead-based paint testing and abatement.

Most of Ontario's housing stock was constructed prior to the 1978 ban on lead-based paint. Therefore, most units potentially contain lead-based paint. The City will continue to identify specific neighborhoods and households, which may contain lead-based paint hazards.

Actions planned to reduce the number of poverty-level families

The City has included an Anti-Poverty Strategy within the Five-Year Consolidated Plan. This strategy utilizes existing City job training and social service programs to increase employment marketability, household income, and housing options. Below are the goals for reducing the number of poverty-level families within the City. The City will continue to:

- Support the preservation, rehabilitation, and development of suitable, extremely low-income housing units;
- Provide home repair assistance to households that are low- and moderate-income households; and
- Fund job training and educational programs to increase a person's potential income.

Actions planned to develop institutional structure

The City does not anticipate any gaps in the delivery of service based on the institutional structure of the City government, departments, or agencies. The Housing Services Department participates in a number of coalitions and collaborations to enhance coordination between the public and private housing and social service agencies providing services to Ontario residents. These coalitions include but are not limited to the following: County of San Bernardino Homeless Coalition, Inter-Agency Council on Homeless, and the HMIS Policy Advisory Board, and Housing Policy Advisory Committee.

Actions planned to enhance coordination between public and private housing and social service agencies

The Housing Services Department consulted with other key City departments in developing this One-Year Action Plan. These departments included: City Manager's Office, Economic Development Department, Planning Department, Public Works Agency, Recreation Department, the City Library, Police Department, Fire Department, and Community Improvement Department. City staff also consulted with the following adjacent jurisdictions during the development of the One-Year Action Plan by providing them with a copy of the Draft One-Year Action Plan during the public review period: Upland, Chino, Rancho Cucamonga, Pomona, Fontana, and County of San Bernardino. Other key public and quasi-public agencies contacted in preparation of the plan included the County of San Bernardino Housing Authority, Upland Housing Authority, Ontario Housing Authority, and Inland Fair Housing and Mediation Board.

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City staff will continue to cooperate with other organizations in order to achieve housing and community development objectives. The following list identifies organizations that the City anticipates interacting with and, in some cases, providing funds to during the next fiscal year:

- Inland Fair Housing and Mediation Board
- Inland Valley Hope Partners
- House of Ruth
- Ontario-Montclair School District
- County of San Bernardino Department of Behavioral Health
- Housing Authority of the County of San Bernardino
- County of San Bernardino Interagency Council on Homelessness

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Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction

Funding for CDBG programs is provided through evaluation of the City's infrastructure, public service, public improvement, and public facility needs, along with a competitive application process conducted every two years for public service projects. HOME funds are available for non-profit developers, private developers, and Community Housing Development Organizations (CHDOs) on an over-the-counter basis as funding is available. Applications for HOME funding are available on the City's website. ESG funds are provided through a competitive application process conducted every two years.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**0**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

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HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

   The City does not use HOME funds in any other manner than those described in Section 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

   The City will utilize recapture provisions for HOME-funded homebuyer activities. The City will recapture net proceeds (sales price minus the loan repayment not including HOME funds and closing costs) after the homebuyer has recovered the homebuyer's entire investment (homebuyer's downpayment plus allowable expenditures for capital improvements made by the homebuyer). After the homebuyer's investment has been recovered, the City will then recapture the entire HOME loan amount or the portion remaining thereof in net proceeds. The amount subject to recapture is the direct subsidy made to the homebuyer. Capital improvements are permanent real property improvements and do not include maintenance items. The following items are examples of capital improvements: room addition, patio cover, in-ground pool and kitchen remodel. The following items are considered maintenance and would be ineligible for deduction: tools, annual flowers, and light bulbs. Painting and carpeting may be considered if the receipt is within five years and it adds to the overall value of the home.

   An example of the recapture calculation is shown below:
   HOME downpayment assistance = $10,000
   Homebuyer downpayment = $2,000
   Eligible capital improvements = $3,000
   Net proceeds = $12,000
   Net proceeds – Homebuyers Investment = Remaining net proceeds available for recapture ($12,000 - $5,000 = $7,000).
   In this example, the amount of HOME funds recaptured would be $7,000.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:

   The City will ensure that any property assisted with HOME funds complies with the periods of affordability requirement found at 24 CFR 92.254(a)(4) based on the level of HOME investment. Recapture provisions are utilized for HOME downpayment assistance loan programs, however the period of affordability remains unaffected, even if the funds are repaid prior to the expiration of the affordability period.

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4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

   The City has no plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

   Written standards for the provision of ESG assistance are attached in Appendix F.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

   The City is currently working in cooperation with the San Bernardino County Office of Homeless Services to implement the coordinated entry system established by the San Bernardino County Continuum of Care. The local CoC has established and standardized a regional, telephone-based CES on a 24-hour basis, where consumers and agencies can call to access intake for homeless-related services and receive referrals for housing placement or resources. When using the centralized intake system, a person seeking services contacts "211" (a toll-free number) directly, to obtain initial screening prior to being referred to the appropriate service provider in the Continuum of Care. Every service provider uses the same assessment tool, data collection methods, and targeting strategy for financial assistance as well as for case management prevention, rapid rehousing, and any other services. Using a coordinated access process results in a more accessible and uniform system used to connect persons who are homeless or at risk of homelessness with appropriate resources available in the County's Continuum of Care. The City also requires any subrecipients utilizing ESG funds to participate in the coordinated assessment system.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

   The City has adopted a process and criteria for awarding ESG. This process is conducted as part of the overall Consolidated Plan process. The City advertises the availability of CDBG, HOME, and ESG funds in a newspaper of general circulation. The criteria to select recipients are as follows:

   1. Ability of service provider to meet the intended use of ESG funds;
   2. Proposal is eligible;
   3. Proposal is consistent with the Continuum of Care principals found in applications for funding; and
   4. Ability to meet time frames required for obligation.

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4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

   The City consults with the Continuum of Care which has formerly homeless individuals as members.

5. Describe performance standards for evaluating ESG.

   The City will enter into binding agreements with subrecipients. Elements of these agreements will include the following information:

   1. Type of activity
   2. Scope of services to be provided
   3. Number of persons to be assisted
   4. Budget
   5. Reporting requirements
   6. Other terms and conditions

   The City will conduct annual on-site inspections to ascertain whether the organization is actually meeting their goals and objectives. The overall goal will be to identify any deficiencies and promote corrections in order to improve performance.

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2024-25 One Year Action Plan

Appendix A
Public Notices

INLAND VALLEY
DAILY BULLETIN
Local. News. Matters.
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3200 Guasti Rd. Suite 100
Ontario, California 91761
(909) 987-6397
ealmeida@scng.com

City of Ontario
303 East B Street
Ontario, California 91764

Account Number:	5028333
Ad Order Number:	0011782720
Customer's Reference/PO Number:	
Publication:	Daily Bulletin-SB
Publication Dates:	03/12/2026 and 03/19/2026
Total Amount:	$565.68
Payment Amount:	$0.00
Amount Due:	$565.68
Notice ID:	GorMM2vLYDK0nuglXSxq
Invoice Text:	NOTICE OF COMMUNITY MEETING/PUBLIC HEARING FOR THE CITY OF ONTARIO Notice is hereby given that a community meeting/public hearing will be held on Thursday, March 26, 2026, at 6:00 p.m. at the City of Ontario's Housing Services Department located at 208 W. Emporia St., Ontario, California to solicit citizen participation in the development of the City's One-Year Action Plan (FY 2026-27). All persons interested are invited to attend. If you have any questions regarding this community meeting/public hearing, please contact Hannah MacKenzie, Housing Manager with the Ontario Housing Department at (909) 395-2753. In accordance with the Americans with Disabilities Act, translation and other ADA services are available to members of our community who require special assistance to participate in public meetings. If you require special assistance, notification of 48 hours prior to the meeting will help the City make reasonable arrangements. Equipment for the hearing impaired is available in the Records Management Office. Please contact the City Clerk's Office at (909) 395-2009 for more information. Please publish Thursday, March 12, 2026, and Thursday, March 19, 2026

INLAND VALLEY
DAILY BULLETIN
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Daily Bulletin-SB
3200 Guasti Rd, Suite 100
Ontario, California 91761
(909) 987-6397

0011782720

City of Ontario
303 East B Street
Ontario, California 91764

PROOF OF PUBLICATION
(2015.5 C.C.P.)

STATE OF CALIFORNIA
County of San Bernardino

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not party to or interested in the above-entitled matter. I am the principal clerk of the printer of Daily Bulletin-SB, a newspaper of general circulation, printed and published in the City of Ontario*, County of San Bernardino, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of County of San Bernardino, State of California, under the date of June 15, 1945, Decree No. Pomo C-606. The notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

03/12/2026, 03/19/2026

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Ontario, California

On this 19th day of March, 2026.

Eva Almeida
Signature
*Daily Bulletin-SB circulation includes the following cities: Ontario, Rancho Cucamonga, Upland

NOTICE OF COMMUNITY MEETING/PUBLIC HEARING
FOR THE CITY OF ONTARIO

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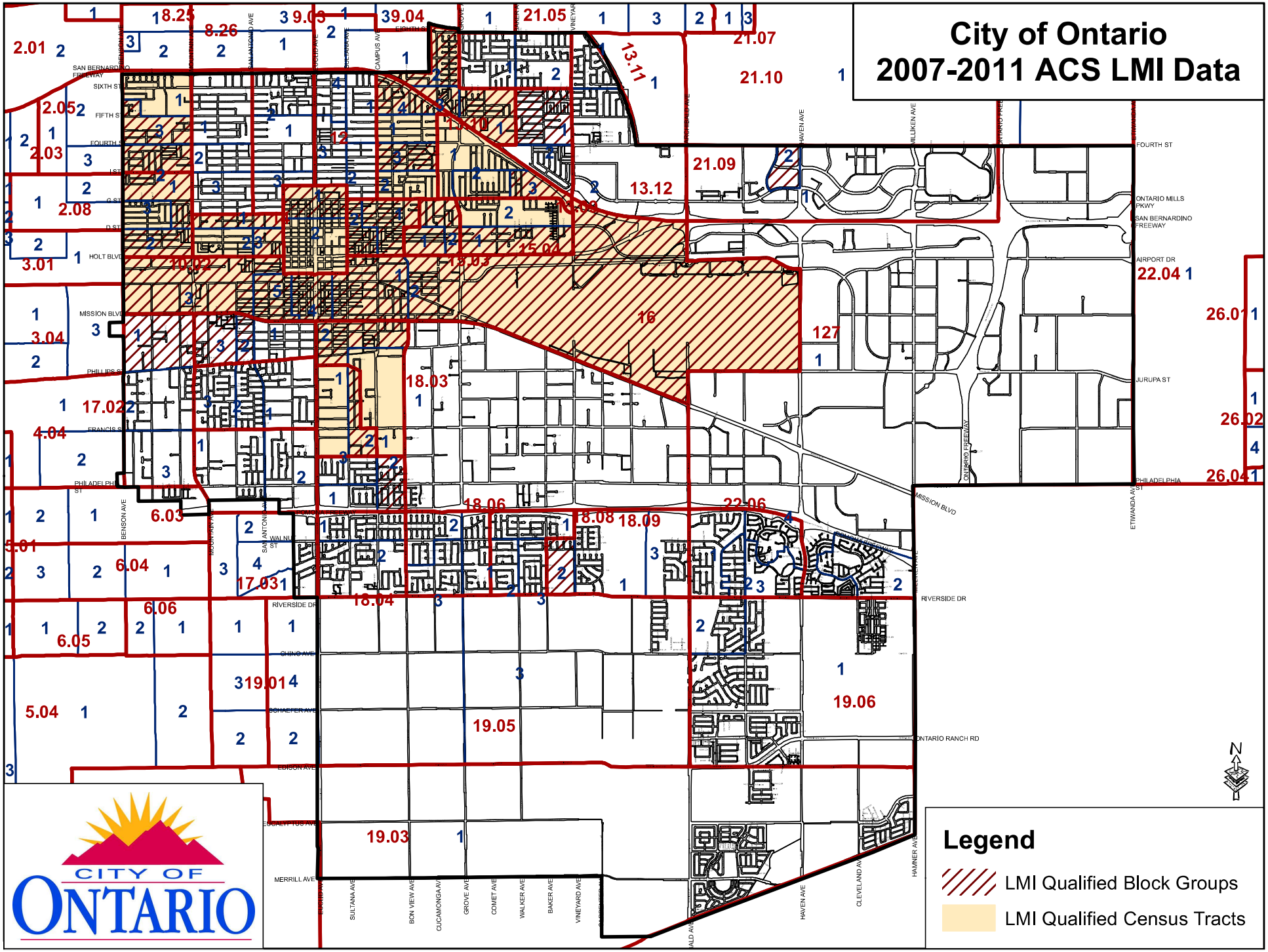
Please publish Thursday, March 12, 2026, and Thursday, March 19, 2026
Inland Valley Daily Bulletin - SB
Published: 3/12, 3/19/26

2024-25 One Year Action Plan

Appendix B
Maps


City of Ontario
2007-2011 ACS LMI Data
Legend
LMI Qualified Block Groups
LMI Qualified Census Tracts
CITY OF ONTARIO
SAN BERNARDINO FREEWAY
SIXTH ST
FIFTH ST
FOURTH ST
HOLT BLVD
MISSION BLVD
PHILLIPS ST
FRANCIS ST
PHILADELPHIA ST
RIVERSIDE DR
CHINO AVE
SCHAEFER AVE
EDISON AVE
MERRILL AVE
ONTARIO RANCH RD
JURUPA ST
AIRPORT DR
ONTARIO MILLS PKWY
ONTARIO FREEWAY
BENSON AVE
MOUNTAIN AVE
SAN ANTONIO AVE
CAMPUS AVE
VINEYARD AVE
GROVE AVE
HAVEN AVE
MILLIKEN AVE
ETIWANDA AVE
HAMNER AVE
CLEVELAND AVE
SULTANA AVE
BON VIEW AVE
CUCAMONGA AVE
COMET AVE
WALKER AVE
BAKER AVE
N

2024-25 One Year Action Plan

Appendix C
Public Comments

SUMMARY OF PUBLIC COMMENTS

No public comments were received during the Community Meeting held on March 26, 2026.

XXXXXX comments were received during the 30-day public review period for the FY 2026-27 One Year Action Plan between March 27, 2026, and May 4, 2026.

XXXXXX comments were received during the City Council meeting to approve the One-Year Action Plan on May 5, 2026.

2024-25 One Year Action Plan

Appendix D
SF424 Forms

2024-25 One Year Action Plan

Appendix E
Certifications

2024-25 One Year Action Plan

Appendix F
ESG Written Standards

City of Ontario
Written Standards for Provision of Emergency Solutions Grant (ESG) Assistance

The purpose of this document is to provide written standards for providing ESG assistance as required by 24 CFR 576.400(e)(1).

1. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG.

   Per 24 CFR 576.401 ESG subrecipients must conduct an initial evaluation to determine each individual's or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing. These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under §576.400(d) which is pending development by the San Bernardino County Continuum of Care (CoC).

   ESG subrecipients must re-evaluate the program participants eligibility and the types and amounts of assistance the participant needs not less than once every three months for participants who are receiving homelessness prevention assistance, and not less than once annually for participants who are receiving rapid re-housing assistance.

   At the subrecipient's discretion, re-evaluations may be conducted more frequently than required by 24 CFR 576.401(b)(1) and may also be incorporated into the case management process which must occur not less than monthly for homelessness prevention and rapid re-housing participants (see 24 CFR 576.401(e)(1)(i)). Regardless of which timeframe is used, re-evaluations must at a minimum establish that:

   a. The program participant does not have an annual income that exceeds 30% of median family income for the area, as determined by HUD; and the program participant lacks sufficient resources and support networks necessary to retain housing without ESG assistance. To determine if an individual or family is income eligible, the subrecipient must examine an individual's or family's annual income to ensure that it does not exceed the most current area income limits posted on HUD's website found at: http://www.huduser.org/portal/datasets/il.html.

      Note: Annual income must be below 30% at the time of initial evaluation and re-evaluation.

   b. When the program participant's income or other circumstances change (*e.g.*, changes in household composition) that affects the program participant's need for assistance under ESG, the subrecipient must re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs.

2. Standard for targeting and providing essential services related to street outreach.

   ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the

term “unsheltered homeless people” means individuals and families who qualify as homeless under paragraph (1)(i) of the “homeless” definition under 24 CFR 576.2.

As outlined in 24 CFR 576.101, essential services consist of:

a. Engagement;

b. Case management;

c. Emergency health services – only when other appropriate health services are inaccessible or unavailable within the area;

d. Emergency mental health services – only when other appropriate mental health services are inaccessible or unavailable within the area;

e. Transportation; and

f. Services for special populations.

ESG subrecipients must determine an individual’s or family’s vulnerability and unwillingness or inability to access emergency shelter, housing, or an appropriate health facility, prior to providing essential services under this component to ensure that ESG funds are used to assist those with the greatest need for street outreach assistance.

3. Policies and procedures for admission, diversion, referral, and discharge by emergency shelters.

   a. Emergency Shelter Definition (24 CFR 576.2) – Any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements. This definition excludes transitional housing. However, projects that were funded as an emergency shelter (shelter operations) under the FY 2010 Emergency Shelter Grants program may continue to be funded under the emergency shelter component under the Emergency Solutions Grant program, regardless of whether the project meets the revised definition.

   b. Admission, Diversion, Referral, and Discharge – Consistent with section (1) of this document, ESG subrecipients must conduct an initial evaluation of all individuals or families to determine if they should be admitted to an emergency shelter, diverted to a provider of other ESG funded components (*e.g.*, rapid re-housing or homelessness prevention assistance) and/or referred for other mainstream resources.

      ESG subrecipients must determine that individuals meet criteria (1), (2), (3), or (4) of the homeless definition under 24 CFR 576.2 and rate the individual’s or family’s vulnerability to ensure that only those individuals or families that have the greatest need for emergency shelter assistance receive ESG-funded assistance.

      Beyond basic eligibility and need as established by ESG regulations, ESG subrecipients may develop specific written policies regarding additional screening, such as substance abuse or criminal activity, to restrict its services and provide a safe environment for all clients. ESG subrecipients may also establish written policies for maximum length of stay.

ESG subrecipients must also reassess emergency shelter participants, on an ongoing basis, to determine the earliest possible time that they can be discharged to permanent housing.

c. Safety and Shelter Needs of Special Populations – ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under the regulations of the emergency shelter component found at 24 CFR 576.102.

   Consistent with ESG recordkeeping and reporting requirements found at 24 CFR Part 576.500, ESG subrecipients must develop and apply written policies to ensure the safety of program participants through the following actions:

   i. All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential.

   ii. The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under ESG will not be made public, except with written authorization of the person responsible for the operation of the shelter.

   iii. The address or location of any housing of a program participant, including youth, individuals living with HIV/AIDS, victims of domestic violence, dating violence, sexual assault, stalking, and individuals and families who have the highest barriers to housing will not be made public, except as provided under a pre-existing privacy policy of the subrecipient and consistent with state and local laws regarding privacy and obligations of confidentiality.

d. ESG subrecipients must adhere to the ESG shelter and housing standards found at 24 CFR 576.403 to ensure that shelter and housing facilities are safe, sanitary, and adequately maintained.

4. Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter.

   ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter. Essential services for participants of emergency shelter assistance can include case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.

   ESG subrecipients are responsible to assess an individual's or family's need for emergency shelter and must reassess their need on an ongoing basis to ensure that only those individuals or families with the greatest need receive ESG-funded emergency shelter assistance.

   Upon completion and implementation of the CoC's centralized or coordinated entry system, ESG subrecipients shall be required to use that system to help determine an individual's or family's need for emergency shelter or other ESG-funded assistance.

5. Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

Coordination to assist the homeless and prevent homelessness will come from the leadership of the countywide CoC. Active engagement and membership in the CoC or a local homeless coalition is strongly encouraged for ESG subrecipients. ESG subrecipients shall be required to utilize the San Bernardino County HMIS tracking system to coordinate delivery of services.

6. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

   The key to the success of any program is a screening and assessment process, which thoroughly explores a family's or individual's situation and pinpoints their unique housing and service needs. Based upon the assessment, families and individuals should be referred to the kinds of housing and services most appropriate to their situations and need.

   Once in place, a centralized or coordinated entry system will help to better match individuals and families with the most appropriate assistance. Under homelessness prevention assistance, individuals and families eligible for HP projects include those who meet the following definitions: Homeless Category 2 - Imminent Risk of Homelessness, Homeless Category 3 - Homeless Under Other Federal Statutes, and Homeless Category 4 - Fleeing/Attempting to Flee DV. Additionally, Homeless Prevention projects must only serve individuals and families that have an annual income below 30% of the median family income for the area.

   ESG funds can be used to prevent and individual or family from becoming homeless and/or regain stability in current housing or other permanent housing. Rapid re-housing funding will be available to those who are literally homeless to ultimately move into permanent housing and achieve housing stability.

7. Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance.

   Standards for both homelessness prevention and rapid re-housing for determining the share of rent and utilities costs that each program participant must pay, if any, will be based on the following:

   a. Rental assistance cannot be provided for a unit unless the rent for that unit is at or below the Fair Market Rent limit, established by HUD. A complete listing of Fair Market Rents can be found at http://www.huduser.org/portal/datasets/fmr.html.

   b. The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units (see 24 CFR 574.320).

   c. There must be a rental assistance agreement and lease between property manager and tenant as well as the owner of the property and ESG subrecipient.

   d. The rental unit must meet minimum habitability standards found at 24 CFR 576.403.

   e. No rental assistance may be made to an individual or family that is receiving rental assistance from another public source for the same time period.

Per 24 CFR 576.106 (e), ESG subrecipients may make rental assistance payments only to an owner with whom the subrecipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement the owner must give the subrecipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.

The participant's portion of the amount of rent to be paid will be no more than 30% of their gross annual income, with a minimum contribution of $25.00. Assistance provided will be up to one month of rental assistance. Other assistance, such as utility assistance will be evaluated on an as needed basis. Considerations will be made with regard to the presence, or absence, of other resources available in the community.

8. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of assistance will be adjusted over time.

   Subject to the general conditions under 24 CFR 576.103 and 24 CFR 576.104, ESG subrecipients may provide a program participant with up to 24 months of rental assistance during any three-year period. This assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.

   Short-term rental assistance is assistance for up to three months of rent. Medium-term rental assistance is assistance for more than three months, but not more than 24 months of rent. Payment of rental arrears may consist of a one-time payment for up to six months of rent in arrears, including any late fees on those arrears.

   The maximum amount of rental assistance provided and an individual's or family's level of responsibility for rent payments over time shall be determined by the ESG subrecipient and shall be reflective of the individual's or family's need for rental assistance and the level of financial resources available to the ESG subrecipient. ESG subrecipients shall maintain written policies regarding their standards for the amount and duration of rental assistance as covered by this section.

9. Standards for determining type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on homelessness prevention or rapid re-housing assistance that each program participant may receive, such as maximum amount of assistance, maximum number of months the program participant may receive assistance, or the maximum number of times the program participant may receive assistance.

   Subject to the general conditions under 24 CFR 576.103 and 24 CFR 576.104, subrecipients may use ESG funds to pay housing owners, utility companies, and other third parties for some or all of the following costs:

   a. Rental application fees;

   b. Security deposits;

   c. Last month's rent;

d. Utility deposits;

e. Utility payments;

f. Moving costs; and

g. Some limited services costs.

Consistent with 24 CFR 576.105 (c), ESG subrecipients shall determine the type, maximum amount, and duration of housing stabilization and/or relocation services for individuals and families who are in need of homelessness prevention or rapid re-housing assistance through the initial evaluation, re-evaluation, and ongoing case management processes. ESG subrecipients shall be required to maintain written policies on the type, maximum amount, and duration of housing stabilization and/or relocation services provided with ESG funds.

Consistent with 24 CFR 576.105 (d), financial assistance for housing stabilization and/or relocation services cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the Uniform Relocation Act (URA) during the period of time covered by the URA payments.

2024-25 One Year Action Plan

Appendix G
Citizen Participation Plan

CITY OF ONTARIO *Agenda Report* **May 5, 2026**	**SECTION:** **PUBLIC HEARINGS**
Department: Financial Services Prepared By: Jennifer Schaefer Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Reviewed By: Doreen Nunes Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 15

SUBJECT: **RESOLUTIONS AUTHORIZING THE ISSUANCE OF LEASE REVENUE BONDS, SERIES 2026C (FEDERALLY TAXABLE) AND 2026D (TAX-EXEMPT) AND RELATED MATTERS**

RECOMMENDATION: That the City Council and the Ontario Public Financing Authority hold public hearing and the take the following actions:

A. The City Council consider and adopt a Resolution authorizing the execution and delivery of a Ground Lease, Lease Agreement, Indenture, Bond Purchase Agreement, and Continuing Disclosure Certificate in connection with the issuance and sale of the Lease Revenue Bonds by the Ontario Public Financing Authority in an aggregate principal amount of not to exceed $330 million and authorizing the distribution of an Official Statement in connection with the offering and sale of the Bonds and authorizing the execution and delivery of necessary documents in connection therewith.
B. The Ontario Public Financing Authority consider and adopt a Resolution authorizing the execution and delivery of a Ground Lease, Lease Agreement, Indenture, Bond Purchase Agreement, and Assignment Agreement in connection with the issuance and sale of its Lease Revenue Bonds in an aggregate principal amount of not to exceed $330 million and authorizing the distribution of an Official Statement in connection with the offering and sale of the Bonds and authorizing the execution and delivery of necessary documents in connection therewith.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The Ontario Public Financing Authority and the City of Ontario intend to execute a lease agreement for the purpose of causing the issuance of the Lease Revenue Bonds, Series 2026C and 2026D (2026 Bonds). The 2026 Bonds are being issued to finance certain capital improvements. Based on current market conditions, and assuming a partial taxable and tax-exempt bond issuance to fund $330 million in net proceeds, annual debt service payments are estimated at approximately

$21.04 million per year over a 30-year period with a not-to-exceed interest rate of 5.5%. The final true interest cost will be determined when the bonds are priced and sold, which is anticipated to occur in June 2026. The estimated issuance costs will be paid from the proceeds of the new bond issue and have been included in the calculation of the debt service. Future appropriations for the 2026 Bonds annual debt service payment will be included in future annual budgets presented to City Council for approval.

BACKGROUND & ANALYSIS: The City is undertaking a series of significant public infrastructure projects designed to enhance public amenities and support regional growth. These projects include the Ontario Sports Empire, Ontario Grand Park, and the Toyota Arena, among others. For Fiscal Years 2025-26 through 2029-30, plus outer years, the City has approved approximately $2.88 billion in capital improvements. The Authority is a Joint Powers Authority which was formed to finance the acquisition and construction of public capital improvements and facilitate buildout of the City's infrastructure plan. The City has requested that the Authority issue its Lease Revenue Bonds for the purpose of financing certain City capital improvements for the 2025-26 and 2026-27 fiscal years, including, but not limited to, projects related to the Ontario Sports Empire.

The 2026 Bonds will be payable and secured from base rental payments made by the City pursuant to the lease agreement with respect to the lease of the Professional Baseball Stadium (the "ONT Field") and the associated Stadium Parking Structure, the new Fire Station No. 1 and the Civic Center Parking Structure.

The proposed 2026 Bonds are estimated to be issued in the principal amount of approximately $330 million with a final maturity of March 1, 2056. Based on market conditions as of April 27, 2026, and assuming a partial taxable and tax-exempt sale, and the City's current "AA-" Standard & Poor's and Fitch ratings, the 2026 Bonds are expected to have average annual debt service payments of approximately $21.04 million and a not-to-exceed interest rate of 5.5%. The final interest cost and debt service payments will be determined when the 2026 Bonds are priced, which is currently expected to occur in June 2026. Staff will work closely with the financing team to evaluate various structuring alternatives, including graduated payment schedules that shift higher installments toward the latter portion of the term to align with the timing of projected revenues.

As required under Section 5852.1 of the California Government Code, good faith estimates as provided by the Municipal Advisor and Underwriter are provided as an attachment to the authorizing Resolutions.

FINANCING PLAN: Presented to the City Council and the Authority are Resolutions which approve the execution of a Ground Lease, Lease Agreement, Indenture, Bond Purchase Agreement, Assignment Agreement, Continuing Disclosure Certificate, and Preliminary Official Statement related to the 2026 Bonds. The proposed 2026 Bonds are to be secured by lease payments from the City's General Fund.

To provide services necessary for the issuance of bonds, Staff seeks City Council authority for the City Manager to negotiate and execute agreements with: Stradling Yocca Carlson & Rauth, LLP, to act as Bond Counsel; Best Best & Krieger LLP to act as Disclosure Counsel; Urban Futures, Inc., to act as Municipal Advisor; Ramirez & Co., Inc., to act as Underwriter; and Zions Bancorporation, N.A., to act as Trustee. The costs for such services will be paid for and from the bond proceeds.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE, LEASE AGREEMENT, INDENTURE, BOND PURCHASE CONTRACT AND CONTINUING DISCLOSURE CERTIFICATE IN CONNECTION WITH THE ISSUANCE OF ONTARIO PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, APPROVING THE ISSUANCE OF SUCH BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $330,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

WHEREAS, the City of Ontario, California (the "City"), is a general law city organized and existing under the laws of the State of California; and

WHEREAS, the City desires to finance the costs of the acquisition and/or installation of various capital improvements (the "Project"); and

WHEREAS, the Ontario Public Financing Authority (the "Authority") and the City have determined that it would be in the best interests of the City and residents of the City to authorize the preparation, sale and delivery of the "Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable)" (the "2026C Bonds") and the "Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt)" (the "2026D Bonds" and together with the 2026C Bonds, the "Bonds") for the purposes of financing the Project; and

WHEREAS, in order to facilitate the issuance of the Bonds, the City and the Authority desire to enter into a Ground Lease between the City and the Authority (the "Ground Lease") pursuant to which the City will lease certain real property consisting of the Professional Baseball Stadium (the "ONT Field") and the associated Stadium Parking Structure, Fire Station No. 1, the Civic Center Parking Structure, and certain other City-owned properties as identified in the Lease Agreement (defined herein) (collectively, the "Leased Assets") to the Authority, and a Lease Agreement between the City and the Authority (the "Lease Agreement"), pursuant to which the City will lease the Leased Assets back from the Authority, and pay certain Base Rental Payments (as such term is defined in the Lease Agreement), which are pledged to the owners of the Bonds by the Authority pursuant to an Indenture by and among Zions Bancorporation, National Association (the "Trustee"), the City and the Authority (the "Indenture"); and

WHEREAS, the City and the Authority desire to undertake a negotiated sale of the Bonds to Samuel A. Ramirez & Co., Inc., as the underwriter of the Bonds (the "Underwriter") pursuant to a purchase contract by and among the City, the Authority and the Underwriter (the "Bond Purchase Contract"); and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Bonds, the Underwriter thereof must have reasonably determined that the City has undertaken in a written agreement or contract for the benefit of the holders of the Bonds to provide disclosure of certain financial information and certain events on an ongoing basis; and

WHEREAS, in order to cause such requirement to be satisfied, the City desires to execute and deliver a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"); and

WHEREAS, a form of the Preliminary Official Statement (the "Preliminary Official Statement") has been prepared; and

WHEREAS, the Bonds will be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, commencing with Section 6584 of the California Government Code (the "Act"); and

WHEREAS, the City is a member of the Authority and the Project is located within the boundaries of the City; and

WHEREAS, the City has, prior to the consideration of this Resolution, held a public hearing on the financing of the Project from the proceeds of the issuance of the Bonds in accordance with Section 6586.5 of the Act, which hearing was held at 303 East B Street, Ontario, California 91764 on the date of this Resolution; and

WHEREAS, in accordance with Section 6586.5 of the Act, notice of such hearing was published once at least five days prior to the hearing in the Inland Valley Daily Bulletin, a newspaper of general circulation in the City; and

WHEREAS, the City Council has been presented with the form of each document that is referred to herein relating to the financing contemplated hereby, and the City Council has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of such financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ontario as follows:

SECTION 1. Each of the above recitals is true and correct and the City Council so finds. Following a duly noticed and conducted public hearing, the City Council hereby finds and determines that there are significant public benefits to the citizens of the City through the use of the Act to assist the City with respect to the subject matter hereof through the approval of the issuance of the Bonds and otherwise

hereunder within the meaning of Section 6586(a)-(d), inclusive, of the Act, in that the issuance of the Bonds and related transactions will result in more efficient delivery of local agency services to residential and commercial development.

SECTION 2. The forms of the Ground Lease and the Lease Agreement on file with the City Clerk are hereby approved, and the Mayor, the City Manager, the Executive Director of Finance and the City Clerk (the "Authorized Officers"), are each hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Ground Lease and the Lease Agreement in substantially said forms, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of the Ground Lease and the Lease Agreement shall terminate no later than March 1, 2057 (provided that such term may be extended as provided therein) and that the true interest cost applicable to the interest components of the Base Rental Payments shall not exceed 5.50%.

SECTION 3. The form of Indenture on file with the City Clerk is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Indenture in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate principal amount of the Bonds shall not exceed $330,000,000.

SECTION 4. The issuance of not to exceed $330,000,000 aggregate principal amount of the Bonds in one or more series of taxable or tax-exempt bonds, in the principal amounts, bearing interest at the rates and maturing on the dates as specified in the Indenture as finally executed, is hereby authorized and approved.

SECTION 5. The form of Bond Purchase Contract on file with the City Clerk is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Bond Purchase Contract in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the Underwriter's discount shall not exceed 0.45% of the principal amount of the Bonds.

SECTION 6. The form of Preliminary Official Statement on file with the City Clerk, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the City that the Preliminary Official Statement is deemed final as of its date within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). The Authorized Officers are each hereby authorized and directed to furnish, or cause to be furnished, to prospective bidders for the Bonds a reasonable number of copies of the Preliminary Official Statement.

SECTION 7. The preparation and delivery of an Official Statement, and its use in connection with the offering and sale of the Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the City, to execute the final Official Statement and any amendment or supplement thereto for and in the name and on behalf of the City.

SECTION 8. The form of Continuing Disclosure Certificate on file with the City Clerk is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced to the execution and delivery thereof.

SECTION 9. The Authorized Officers are each hereby authorized to evaluate whether the purchase of municipal bond insurance and/or a debt service reserve policy for the Bonds will result in a net savings with respect to the Bonds and, if so, to arrange for the purchase of such municipal bond insurance and/or debt service reserve policy. The Authorized Officers are each hereby authorized to solicit bids from municipal bond insurers, to select an insurer to provide municipal bond insurance with respect to the Bonds and/or a debt service reserve policy, if applicable, and to execute and negotiate any agreements that are necessary in connection with the procurement of such municipal bond insurance and/or debt service reserve policy, provided that such municipal bond insurance policy and/or insurance debt service reserve policy provides debt service savings or other benefits to the proposed transaction, as determined by the Authorized Officers. The City's execution of an insurance commitment shall be conclusive evidence of such determination. Each of the above-referenced officers is hereby authorized to direct Bond Counsel and/or the City Attorney to make any necessary revisions to the legal documents to effectuate the procurement of municipal bond insurance and/or a debt service reserve fund policy.

SECTION 10. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, but not limited to, adding property to, substituting property for or removing property from the Leased Assets identified in the Ground Lease and the Lease Agreement, and taking any and all actions, and executing and delivering any and all documents, in order to clear any title exceptions to the Leased Assets, including but not limited to entering into any subordination and non-disturbance agreement with any tenants of the Leased Assets. All actions heretofore taken by the officers, employees and agents of the City with respect to the transactions set forth above are hereby approved, confirmed and ratified.

SECTION 11. The good faith estimates of costs related to the Bonds which are required by Section 5852.1 of the California Government Code are disclosed in Exhibit A hereto and are available to the public at the meeting at which this Resolution is approved.

SECTION 12. The City Council hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

SECTION 13. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the Indenture unless the context otherwise clearly requires.

SECTION 14. This Resolution shall take effect from and after the date of its passage and adoption.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 5th day of May 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 5, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held May 5, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by Urban Futures Incorporated (the City's "Municipal Advisor") in consultation with Samuel A. Ramirez & Co., Inc., the Underwriter of the Bonds.

Principal Amount. The Municipal Advisor has informed the City that, based on the City's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is $317,615,000 (the "Estimated Principal Amount").

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 4.93%.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is $2,154,268.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the City for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is $330,000,000.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is $631,209,693.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to: (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such

estimates; (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount; (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates; (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates; (e) other market conditions; or (f) alterations in the City's financing plan, delays in the financing, additional legal work or a combination of such factors and additional finance charges, if any, attributable thereto. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

RESOLUTION NO. _____

A RESOLUTION OF THE ONTARIO PUBLIC FINANCING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF A GROUND LEASE, LEASE AGREEMENT, INDENTURE, BOND PURCHASE CONTRACT AND ASSIGNMENT AGREEMENT IN CONNECTION WITH THE ISSUANCE OF ONTARIO PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, AUTHORIZING THE ISSUANCE OF SUCH BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $330,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

WHEREAS, the City of Ontario (the "City") and the Ontario Public Financing Authority (the "Authority") desire to finance the costs of the acquisition and/or installation of various capital improvements (the "Project"); and

WHEREAS, the Authority and the City have determined that it would be in the best interests of the Authority, the City and residents of the City to authorize the preparation, sale and delivery by the Authority of the "Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable)" (the "2026C Bonds") and the "Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt)" (the "2026D Bonds" and together with the 2026C Bonds, the "Bonds") for the purposes of financing the Project; and

WHEREAS, in order to facilitate the issuance of the Bonds, the City and the Authority desire to enter into a Ground Lease between the City and the Authority (the "Ground Lease") pursuant to which the City will lease certain real property consisting of the Professional Baseball Stadium (the "ONT Field") and the associated Stadium Parking Structure, Fire Station No. 1, the Civic Center Parking Structure, and certain other City-owned properties as identified in the Lease Agreement (defined herein) (the "Leased Assets") to the Authority, and a Lease Agreement between the City and the Authority (the "Lease Agreement"), pursuant to which the City will sublease the Leased Assets back from the Authority, and pay certain Base Rental Payments (as such term is defined in the Lease Agreement), which are pledged to the owners of the Bonds by the Authority pursuant to an Indenture by and among Zions Bancorporation, National Association (the "Trustee"), the City and the Authority (the "Indenture"); and

WHEREAS, the Authority and the Trustee desire to enter into an Assignment Agreement in order to provide, among other things, that all rights to receive the Base Rental Payments have been assigned without recourse by the Authority to the Trustee; and

WHEREAS, the City and the Authority desire to undertake a negotiated sale of the Bonds to Samuel A. Ramirez & Co., Inc., as the underwriter of the Bonds (the "Underwriter") pursuant to a purchase contract by and among the City, the Authority and the Underwriter (the "Bond Purchase Contract"); and

WHEREAS, a form of the Preliminary Official Statement (the "Preliminary Official Statement") has been prepared; and

WHEREAS, the Bonds will be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, commencing with Section 6584 of the California Government Code (the "Act"); and

WHEREAS, the City is a member of the Authority and the Project is located within the boundaries of the City; and

WHEREAS, the City has, prior to the consideration of this Resolution, held a public hearing on the financing of the Project from the proceeds of the issuance of the Bonds in accordance with Section 6586.5 of the Act, which hearing was held at 303 East B Street, Ontario, California 91764 on the date of this Resolution, and adopted its resolution approving the financing and making a finding of significant public benefit in accordance with the Act; and

WHEREAS, in accordance with Section 6586.5 of the Act, notice of such hearing was published once at least five days prior to the hearing in the Inland Valley Daily Bulletin, a newspaper of general circulation in the City; and

WHEREAS, the Board of Directors of the Authority (the "Board of Directors") has been presented with the form of each document that is referred to herein, and the Board of Directors has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of such financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Ontario Public Financing Authority as follows:

SECTION 1. Each of the above recitals is true and correct and the Board of Directors so finds. The Board of Directors has determined and hereby finds that the Authority's assistance in financing the Project by the execution and delivery of the Bonds will result in significant public benefits within the meaning of Section 6586(a)-(d), inclusive, of the Act.

SECTION 2. The forms of the Lease Agreement and the Ground Lease on file with the Secretary of the Authority are hereby approved, and the Chair, Vice Chair, Executive Director, Treasurer and Secretary (the "Authorized Officers"), are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Lease Agreement and the Ground Lease, respectively, in substantially said forms, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of the Lease Agreement and the Ground Lease shall terminate no later than March 1, 2057 (provided that such term may be extended as provided therein) and the true interest cost applicable to the interest components of the Base Rental Payments shall not exceed 5.50%.

SECTION 3. The form of Indenture on file with the Secretary of the Authority is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate principal amount of the Bonds shall not exceed $330,000,000.

SECTION 4. The issuance of not to exceed $330,000,000 aggregate principal amount of the Bonds in one or more series of taxable or tax-exempt bonds, in the principal amounts, bearing interest at the rates and maturing on the dates as specified in the Indenture as finally executed, is hereby authorized and approved.

SECTION 5. The form of Bond Purchase Contract on file with the Secretary of the Authority is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Contract in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the Underwriter's discount shall not exceed 0.45% of the principal amount of the Bonds.

SECTION 6. The form of Assignment Agreement on file with the Secretary of the Authority is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Assignment Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. The form of Preliminary Official Statement on file with the Secretary of the Authority, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized

to certify on behalf of the Authority that the Preliminary Official Statement is deemed final as of its date within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). The Authorized Officers are each hereby authorized and directed to furnish, or cause to be furnished, to prospective bidders for the Bonds a reasonable number of copies of the Preliminary Official Statement.

SECTION 8. The preparation and delivery of an Official Statement, and its use in connection with the offering and sale of the Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute the final Official Statement and any amendment or supplement thereto for and in the name and on behalf of the Authority.

SECTION 9. The Authorized Officers are each hereby authorized to evaluate whether the purchase of municipal bond insurance and/or a debt service reserve policy for the Bonds will result in a net savings with respect to the Bonds and, if so, to arrange for the purchase of such municipal bond insurance and/or debt service reserve policy. The Authorized Officers are each hereby authorized to solicit bids from municipal bond insurers, to select an insurer to provide municipal bond insurance with respect to the Bonds and/or a debt service reserve policy, if applicable, and to execute and negotiate any agreements that are necessary in connection with the procurement of such municipal bond insurance and/or debt service reserve policy, provided that such municipal bond insurance policy and/or insurance debt service reserve policy provides debt service savings or other benefits to the proposed transaction, as determined by the Authorized Officers. The Authority's execution of an insurance commitment shall be conclusive evidence of such determination. Each of the above-referenced officers is hereby authorized to direct Bond Counsel and/or the Authority's General Counsel to make any necessary revisions to the legal documents to effectuate the procurement of municipal bond insurance and/or a debt service reserve fund policy.

SECTION 10. The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, but not limited to, adding property to, substituting property for or removing property from the Leased Assets identified in the Ground Lease and the Lease Agreement, and taking any and all actions, and executing and delivering any and all documents, in order to clear any title exceptions to the Leased Assets, including but not limited to entering into any subordination and non-disturbance agreement with any tenants of the Leased Assets. All actions heretofore taken by the officers and agents of the Authority with respect to the transactions set forth above are hereby approved, confirmed and ratified.

SECTION 11. The good faith estimates of costs related to the Bonds which are required by Section 5852.1 of the California Government Code are disclosed in Exhibit A hereto and are available to the public at the meeting at which this Resolution is approved.

SECTION 12. The Board hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

SECTION 13. Unless otherwise defined herein, all terms that are used herein and not otherwise defined shall have the meanings given to such terms in the Indenture unless the context otherwise clearly requires.

SECTION 14. This Resolution shall take effect from and after the date of its passage and adoption.

The Secretary of the Ontario Public Financing Authority shall certify as to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 5th day of May 2026.

_____
PAUL S. LEON, CHAIR

ATTEST:

_____
SHEILA MAUTZ, SECRETARY

APPROVED AS TO LEGAL FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, Secretary of the Ontario Public Financing Authority, DO HEREBY CERTIFY that the foregoing Resolution No. OPFA- was duly passed and adopted by the Board Members of the Ontario Public Financing Authority at their regular meeting held May 5, 2026, by the following roll call vote, to wit:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

The foregoing is the original of Resolution No. OPFA duly passed and adopted by the Ontario Public Financing Authority at their regular meeting held May 5, 2026.

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Authority by Urban Futures Incorporated (the Authority's "Municipal Advisor") in consultation with Samuel A. Ramirez & Co., Inc., the Underwriter of the Bonds.

Principal Amount. The Municipal Advisor has informed the Authority that, based on the Authority's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is $317,615,000 (the "Estimated Principal Amount").

True Interest Cost of the Bonds. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 4.93%.

Finance Charge of the Bonds. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is $2,154,268.

Amount of Proceeds to be Received. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the City for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is $330,000,000.

Total Payment Amount. The Municipal Advisor has informed the Authority that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is $631,209,693.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to: (a) the actual date

of the sale of the Bonds being different than the date assumed for purposes of such estimates; (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount; (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates; (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates; (e) other market conditions; or (f) alterations in the Authority's financing plan, delays in the financing, additional legal work or a combination of such factors and additional finance charges, if any, attributable thereto. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the Authority based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Authority.

RECORDING REQUESTED BY:
Ontario Public Financing Authority

AND WHEN RECORDED RETURN TO:
Stradling Yocca Carlson & Rauth LLP
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attention: Brian P. Forbath, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

GROUND LEASE AGREEMENT

by and between

CITY OF ONTARIO

and

ONTARIO PUBLIC FINANCING AUTHORITY

Dated as of _____ 1, 2026

Relating to

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026C (FEDERALLY TAXABLE)

and

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026D (TAX-EXEMPT)

GROUND LEASE

THIS GROUND LEASE (this "**Ground Lease**"), executed and entered into as of _____ 1, 2026, is by and between the CITY OF ONTARIO (the "**City**"), a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California, as lessor, and the ONTARIO PUBLIC FINANCING AUTHORITY (the "**Authority**"), a joint exercise of powers entity duly organized and existing under the laws of the State of California, as lessee.

RECITALS

A. The City and the Authority desire to finance a portion of the costs of the acquisition, construction and/or installation of various public improvements (collectively, the "**Project**").

B. In order to finance the Project, the City will lease certain real property and the improvements located thereon (the "**Property**") to the Authority pursuant to this Ground Lease, and the City will sublease the Property back from the Authority pursuant to that certain Lease Agreement, dated as of the date hereof (the "**Lease Agreement**").

C. The Property is more particularly described in Exhibit A hereto.

D. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide the funds necessary to finance the Project through the issuance by the Authority of bonds payable from the base rental payments (the "**Base Rental Payments**") to be made by the City under the Lease Agreement.

E. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide for the issuance of such bonds payable from the Base Rental Payments pursuant to that certain Indenture, dated as of the date hereof (the "**Indenture**"), by and among the Authority, the City and Zions Bancorporation, National Association, as trustee (the "**Trustee**").

F. All rights to receive the Base Rental Payments have been assigned without recourse by the Authority to the Trustee pursuant to that certain Assignment Agreement, dated as of the date hereof (the "**Assignment Agreement**").

G. All acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Ground Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Ground Lease.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Except as otherwise defined herein, or unless the context clearly otherwise requires, words and phrases defined in Article I of the Lease Agreement shall have the same meaning in this Ground Lease.

ARTICLE II

LEASE OF THE PROPERTY; RENTAL

Section 2.01 Lease of Property. The City hereby leases to the Authority, and the Authority hereby leases from the City, for the benefit of the Owners of the Bonds, the Property, subject only to Permitted Encumbrances, to have and to hold for the term of this Ground Lease.

Section 2.02 Rental. The Authority shall pay to the City as and for rental of the Property hereunder, the sum of $1.00, the receipt of which is hereby acknowledged.

ARTICLE III

QUIET ENJOYMENT

The parties intend that the Property will be leased back to the City pursuant to the Lease Agreement for the term thereof. It is further intended that, to the extent provided herein and in the Lease Agreement, if an event of default occurs under the Lease Agreement, the Authority, or its assignee, will have the right, for the then remaining term of this Ground Lease, to: (a) take possession of the Property; (b) if it deems it appropriate, cause an appraisal of the Property and a study of the then reasonable use thereof to be undertaken; and (c) relet the Property. Subject to any rights the City may have under the Lease Agreement (in the absence of an event of default) to possession and enjoyment of the Property, the City hereby covenants and agrees that it will not take any action to prevent the Authority from having quiet and peaceable possession and enjoyment of the Property during the term hereof and will, at the request of the Authority and at the City's cost, to the extent that it may lawfully do so, join in any legal action in which the Authority asserts its right to such possession and enjoyment.

ARTICLE IV

SPECIAL COVENANTS AND PROVISIONS

Section 4.01 Waste. The Authority agrees that at all times that it is in possession of the Property, it will not commit, suffer or permit any waste on the Property, and that it will not willfully or knowingly use or permit the use of the Property for any illegal purpose or act.

Section 4.02 Further Assurances and Corrective Instruments. The City and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby

leased or intended so to be or for carrying out the expressed intention of this Ground Lease, the Indenture and the Lease Agreement.

Section 4.03 Waiver of Personal Liability. All liabilities under this Ground Lease on the part of the Authority shall be solely liabilities of the Authority as a joint exercise of powers entity, and the City hereby releases each and every director, officer and employee of the Authority of and from any personal or individual liability under this Ground Lease. No director, officer or employee of the Authority shall at any time or under any circumstances be individually or personally liable under this Ground Lease to the City or to any other party whomsoever for anything done or omitted to be done by the Authority hereunder.

All liabilities under this Ground Lease on the part of the City shall be solely liabilities of the City as a public corporation, and the Authority hereby releases each and every member, officer and employee of the City of and from any personal or individual liability under this Ground Lease. No member, officer or employee of the City shall at any time or under any circumstances be individually or personally liable under this Ground Lease to the Authority or to any other party whomsoever for anything done or omitted to be done by the City hereunder.

Section 4.04 Taxes. The City covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Property.

Section 4.05 Right of Entry. The City reserves the right for any of its duly authorized representatives to enter upon the Property at any reasonable time to inspect the same.

Section 4.06 Representations of the City. The City represents and warrants to the Authority and the Trustee as follows:

(a) the City has the full power and authority to enter into, to execute and to deliver this Ground Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Ground Lease;

(b) except for Permitted Encumbrances, the Property is not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the use of the Property for governmental purposes as contemplated by the City;

(c) all taxes, assessments or impositions of any kind with respect to the Property, except current taxes, have been paid in full; and

(d) the Property is necessary to the City in order for the City to perform its governmental functions.

Section 4.07 Representations of the Authority. The Authority represents and warrants to the City and the Trustee that the Authority has the full power and authority to enter into, to execute and to deliver this Ground Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution and delivery of this Ground Lease.

ARTICLE V

ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING

Section 5.01 Assignment and Subleasing. This Ground Lease may be sold or assigned and the Property subleased, as a whole or in part, by the Authority without the necessity of obtaining the consent of the City, if an event of default occurs under the Lease Agreement. The Authority shall, within thirty (30) days after such an assignment, sale or sublease, furnish or cause to be furnished to the City a true and correct copy of such assignment, sale or sublease, as the case may be.

Section 5.02 Restrictions on City. The City agrees that, except with respect to Permitted Encumbrances, it will not mortgage, sell, encumber, assign, transfer or convey the Property or any portion thereof during the term of this Ground Lease.

ARTICLE VI

TERM; TERMINATION

Section 6.01 Term. The term of this Ground Lease shall commence as of the date of commencement of the term of the Lease Agreement and shall remain in full force and effect from such date to and including March 1, 20__, upon which date it shall terminate, unless such term is extended or sooner terminated as hereinafter provided.

Section 6.02 Extension; Early Termination. If, on March 1, 20__, the Bonds shall not be fully paid, or provision therefor made in accordance with Article X of the Indenture, or the Indenture shall not be discharged by its terms, or if the Rental Payments payable under the Lease Agreement shall have been abated at any time, then the term of this Ground Lease shall be automatically extended until the date upon which all Bonds shall be fully paid, or provision therefor made in accordance with Article X of the Indenture, and the Indenture shall be discharged by its terms, except that the term of this Ground Lease shall in no event be extended more than ten years. If, prior to March 1, 20__, all Bonds shall be fully paid, or provisions therefor made in accordance with Article X of the Indenture, and the Indenture shall be discharged by its terms, the term of this Ground Lease shall end simultaneously therewith.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Binding Effect. This Ground Lease shall inure to the benefit of and shall be binding upon the City, the Authority and their respective successors and assigns.

Section 7.02 Severability. In the event that any provision of this Ground Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 7.03 Amendments, Changes and Modifications. This Ground Lease may be amended, changed, modified, altered or terminated only in accordance with the provisions of the Lease Agreement.

Section 7.04 Assignment to Trustee. The Authority and City acknowledge that the Authority has assigned its right, title and interest in and to this Ground Lease (but none of its obligations and none of its rights to provide consents or approvals hereunder) to the Trustee pursuant to certain provisions of the Assignment Agreement. The City consents to such assignment.

Section 7.05 Execution In Counterparts. This Ground Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.06 Applicable Law. This Ground Lease shall be governed by and construed in accordance with the laws of the State of California.

Section 7.07 Captions. The captions or headings in this Ground Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Ground Lease.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Authority and the City have caused this Ground Lease to be executed by their respective officers hereunto duly authorized, all as of the day and year first above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

_____
Sheila Mautz
City Clerk

ONTARIO PUBLIC FINANCING AUTHORITY

By: _____
Scott Ochoa
Executive Director

ATTEST:

_____
Sheila Mautz
Secretary

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Property conveyed under the foregoing to the Ontario Public Financing Authority, a joint exercise of powers agency duly organized and existing under and by virtue of the Constitution and the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Board of Directors of the Ontario Public Financing Authority, pursuant to authority conferred by resolutions of the Board of Directors adopted on _____, 2026, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____ 1, 2026

ONTARIO PUBLIC FINANCING AUTHORITY

By: _____
Scott Ochoa
Executive Director

4930-5047-9517/022249-0064

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____

SIGNATURE OF NOTARY PUBLIC

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____

SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF THE PROPERTY

- Professional Baseball Stadium (the "ONT Field") and associated Stadium Parking Structure
- Fire Station No. 1
- Civic Center Parking Structure

LEASE AGREEMENT

by and between

CITY OF ONTARIO

and

ONTARIO PUBLIC FINANCING AUTHORITY

Dated as of _____ 1, 2026

Relating to

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026C (FEDERALLY TAXABLE)

and

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
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LEASE AGREEMENT

THIS LEASE AGREEMENT (this "**Lease Agreement**") executed and entered into as of _____ 1, 2026, is by and between the CITY OF ONTARIO (the "**City**"), a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California, as lessee, and the ONTARIO PUBLIC FINANCING AUTHORITY (the "**Authority**"), a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California, as lessor.

RECITALS

A. The City and the Authority desire to finance a portion of the costs of the acquisition, construction and/or installation of various public improvements (collectively, the "**Project**").

B. In order to finance the Project, the City will lease certain real property and the improvements located thereon (the "**Property**") to the Authority pursuant to that certain Ground Lease, dated as of the date hereof, and the City will sublease the Property back from the Authority pursuant to this Lease Agreement.

C. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide the funds necessary to finance the Project through the issuance by the Authority of bonds payable from the base rental payments (the "**Base Rental Payments**") to be made by the City under this Lease Agreement.

D. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide for the issuance of such bonds payable from the Base Rental Payments pursuant to that certain Indenture, dated as of the date hereof (the "**Indenture**"), by and among the Authority, the City and Zions Bancorporation, National Association, as trustee (the "**Trustee**").

E. All rights to receive the Base Rental Payments have been assigned without recourse by the Authority to the Trustee pursuant to that certain Assignment Agreement, dated as of the date hereof (the "**Assignment Agreement**"), by and between the Authority and the Trustee.

F. All acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Lease Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Lease Agreement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Lease Agreement, have the meanings herein specified, which meanings shall be equally applicable to both the singular and plural forms of any of the terms herein defined. Capitalized terms that are not otherwise defined herein shall have the meanings assigned to such terms in the Indenture.

"**Additional Bonds**" means bonds other than the Series 2026 Bonds issued under the Indenture in accordance with the provisions thereof.

"**Additional Rental Payments**" means all amounts payable by the City as Additional Rental Payments pursuant to Section 3.02 hereof.

"**Authority**" means the Ontario Public Financing Authority, a joint exercise of powers authority organized and existing under the laws of the State of California.

"**Base Rental Deposit Date**" means the fifth (5th) Business Day next preceding each Interest Payment Date.

"**Base Rental Payments**" means all amounts payable to the Authority from the City as Base Rental Payments pursuant to Section 3.01 hereof.

"**Base Rental Payment Schedule**" means the schedule of Base Rental Payments payable to the Authority from the City pursuant to Section 3.01 hereof and attached hereto as Exhibit B.

"**Bonds**" means the Series 2026 Bonds and any Additional Bonds.

"**City**" means the City of Ontario, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California.

"**Delivery Date**" means _____, 2026.

"**Ground Lease**" means the Ground Lease, dated as of the date hereof, by and between the City and the Authority, as originally executed and as it may from time to time be amended in accordance with to the provisions thereof and hereof.

"**Indenture**" means the Indenture, dated as of the date hereof, by and among the Authority, the City and the Trustee, as originally executed and as it may from time to time be amended or supplemented in accordance with the provisions thereof.

"**Joint Powers Agreement**" means the Joint Exercise of Powers Agreement, dated as of June 1, 2013, by and between the City and the Ontario Housing Authority, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

"**Lease Agreement**" means this Lease Agreement, as originally executed and as it may from time to time be amended in accordance with the provisions hereof.

"**Net Insurance Proceeds**" means any insurance proceeds or condemnation award in excess of $50,000, paid with respect to any of the Property, remaining after payment therefrom of all reasonable expenses incurred in the collection thereof.

"**Permitted Encumbrances**" means, with respect to the Property, as of any particular time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the City may, pursuant to provisions of Article V hereof, permit to remain unpaid; (b) the Assignment Agreement; (c) this Lease Agreement; (d) the Ground Lease; (e) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law as normally exist with respect to properties similar to the Property for the purposes for which it was acquired or is held by the City; (f) easements, rights of way, mineral rights, drilling rights and other rights (including but not limited to rights in cellular telephone network infrastructure on the Property), reservations, covenants, conditions or restrictions which exist of record as of the Delivery Date which the City certifies in writing will not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Bonds by the Indenture and the Assignment Agreement and to which the Authority and the City consent in writing; and (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which the City certifies in writing do not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Bonds by the Indenture and the Assignment Agreement and to which the Authority and the City consent in writing.

"**Property**" means the real property described in Exhibit A hereto and the improvements located thereon.

"**Rental Payments**" means, collectively, the Base Rental Payments and the Additional Rental Payments.

"**Rental Period**" means the twelve-month period commencing on March 2 of each year during the term of the Lease Agreement; provided that the first Rental Period shall be the period from the Delivery Date through March 1, 2027.

"**Series 2026 Bonds**" means, collectively, the Series 2026C Bonds and the Series 2026D Bonds.

"**Series 2026C Bonds**" means the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable) issued under the Indenture.

"**Series 2026D Bonds**" means the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt) issued under the Indenture.

"**Termination Date**" means March 1, 20___, unless extended or sooner terminated as provided in Section 2.02 hereof.

"**Trustee**" means the trustee appointed under the Indenture and referred to therein as the Trustee.

ARTICLE II

LEASE OF PROPERTY; TERM

Section 2.01 Lease of Property.

(a) The Authority hereby leases to the City and the City hereby leases from the Authority the Property, and all rights appurtenant thereto, including but not limited to, rights of access, on the terms and conditions hereinafter set forth, subject to all Permitted Encumbrances.

(b) The leasing of the Property by the City to the Authority pursuant to the Ground Lease shall not effect or result in a merger of the City's leasehold estate pursuant to this Lease Agreement and the City's fee estate as lessor under the Ground Lease, and the Authority shall continue to have a leasehold estate in the Property pursuant to the Ground Lease throughout the term thereof and hereof. The leasehold interest granted by the City to the Authority pursuant to the Ground Lease is and shall be independent of this Lease Agreement; this Lease Agreement shall not be an assignment or surrender of the leasehold interest granted to the Authority under the Ground Lease.

Section 2.02 Term; Occupancy. The term of this Lease Agreement shall commence on the Delivery Date and shall end on the Termination Date, unless such term is extended or sooner terminated as hereinafter provided. The Termination Date may be amended or extended in connection with the issuance of Additional Bonds. If, on the Termination Date, the Bonds shall not be fully paid or provision therefor made in accordance with Article X of the Indenture, or the Indenture shall not be discharged by its terms, or if the Rental Payments shall remain due and payable or shall have been abated at any time and for any reason, then the term of this Lease Agreement shall be extended until the date upon which: (a) all Bonds shall be fully paid, or provision therefor made in accordance with Article X of the Indenture; or (b) the Indenture shall be discharged by its terms. Notwithstanding the foregoing, the term of this Lease Agreement shall in no event be extended more than ten years beyond such Termination Date, such extended date being the "**Maximum Lease Term**." If, prior to the Termination Date, all Bonds shall be fully paid or provision therefor made in accordance with Article X of the Indenture, the Indenture shall be discharged by its terms and all Rental Payments shall have been paid in full, and the term of this Lease Agreement shall end simultaneously therewith.

ARTICLE III

RENTAL PAYMENTS

Section 3.01 Base Rental Payments.

(a) Subject to the provisions hereof relating to a revision of the Base Rental Payment Schedule pursuant to subsection (b) of this Section, the City shall pay to the Authority, as Base Rental Payments (subject to the provisions of Section 3.06 and Article VII hereof), the amounts at the times specified in the Base Rental Payment Schedule, a portion of which Base Rental Payments shall constitute principal, and a portion of which shall constitute interest. Rental Payments, including Base Rental Payments, shall be paid by the City to the Authority for and in consideration of the right to use and occupy the Property and in consideration of the continued right

to the quiet use and enjoyment thereof during each Rental Period for which such Rental Payments are to be paid.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or of the State of California, or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State of California is obligated to levy or pledge any form of taxation or for which the City or the State of California has levied or pledged any form of taxation.

(b) If the term of this Lease Agreement shall have been extended pursuant to Section 2.02 hereof, the obligation of the City to pay Rental Payments shall continue to and including the Base Rental Deposit Date preceding the date of termination of this Lease Agreement (as so extended pursuant to Section 2.02 hereof). Upon such extension, the Base Rental Payments shall be established so that they will be sufficient to pay all extended and unpaid Base Rental Payments; provided, however, that the Rental Payments payable in any Rental Period subsequent to such extension shall not exceed the annual fair rental value of the Property.

Section 3.02 Additional Rental Payments. The City shall also pay, as Additional Rental Payments, such amounts as shall be required for the payment of the following:

(a) all taxes and assessments of any type or nature charged to the Authority or the City or affecting the Property or the respective interests or estates of the Authority or the City therein;

(b) all reasonable administrative costs of the Authority relating to the Property including, but without limiting the generality of the foregoing, salaries, wages, fees and expenses, compensation and indemnification of the Trustee payable by the Authority under the Indenture, fees of auditors, accountants, attorneys or engineers, and all other necessary and reasonable administrative costs of the Authority or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Indenture or this Lease Agreement or to defend the Authority and its members, officers, agents and employees;

(c) insurance premiums for all insurance required pursuant to Article V hereof;

(d) any amounts with respect to this Lease Agreement or the Bonds required to be rebated to the federal government in accordance with Section 148(f) of the Code; and

(e) all other payments required to be paid by the City under the provisions of this Lease Agreement or the Indenture.

Amounts constituting Additional Rental Payments payable hereunder shall be paid by the City directly to the person or persons to whom such amounts shall be payable. The City shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Trustee to the City stating the amount of Additional Rental Payments then due and payable and the purpose thereof.

Section 3.03 Fair Rental Value. The parties hereto have agreed and determined that the annual fair rental value of the Property is not less than the maximum annual Rental Payments due in any year. In making such determination of fair rental value, consideration has been given to the uses

and purposes that may be served by the Property and the benefits therefrom which will accrue to the City and the general public. Payments of the Rental Payments for the Property during each Rental Period shall constitute the total rental for said Rental Period.

Section 3.04 Payment Provisions. Each installment of Base Rental Payments payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Authority at the principal office of the Trustee in Los Angeles, California, or such other place or entity as the Authority or Trustee shall designate. Each Base Rental Payment shall be deposited with the Trustee no later than the Base Rental Deposit Date preceding the Interest Payment Date on which such Base Rental Payment is due. Any Base Rental Payment which shall not be paid by the City when due and payable under the terms of this Lease Agreement shall bear interest from the date when the same is due hereunder until the same shall be paid at the rate equal to the highest rate of interest on any of the Outstanding Bonds. Notwithstanding any dispute between the Authority and the City, the City shall make all Rental Payments when due without deduction or offset of any kind and shall not withhold any Rental Payments pending the final resolution of such dispute. In the event of a determination that the City was not liable for said Rental Payments or any portion thereof, said payments or excess of payments, as the case may be, shall be credited against subsequent Rental Payments due hereunder or refunded at the time of such determination. Amounts required to be deposited by the City with the Trustee pursuant to this Section on any date shall be reduced to the extent of available amounts on deposit in the Base Rental Payment Fund, the Interest Fund or the Principal Fund.

Section 3.05 Appropriations Covenant. The City covenants to take such action as may be necessary to include all Rental Payments due hereunder as a separate line item in its annual budgets and to make necessary annual appropriations for all such Rental Payments. The covenants on the part of the City herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Lease Agreement agreed to be carried out and performed by the City.

Section 3.06 Rental Abatement. Except as otherwise specifically provided in this Section, during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the City's right to use and occupy any portion of the Property, Rental Payments shall be abated proportionately, and the City waives the benefits of Civil Code Sections 1932(1), 1932(2) and 1933(4) and any and all other rights to terminate this Lease Agreement by virtue of any such interference, and this Lease Agreement shall continue in full force and effect. The amount of such abatement shall be agreed upon by the City and the Authority; provided, however, that the Rental Payments due for any Rental Period shall not exceed the annual fair rental value of that portion of the Property available for use and occupancy by the City during such Rental Period. The City and the Authority shall calculate such abatement and shall provide the Trustee with a certificate setting forth such calculation and the basis therefor. Such abatement shall continue for the period commencing with the date of interference resulting from such damage, destruction, condemnation or title defect and, with respect to damage to or destruction of the Property, ending when such use and occupancy are restored; and the term of this Lease Agreement shall be extended as provided in Section 2.02 hereof, except that the term shall in no event be extended beyond the Maximum Lease Term.

Notwithstanding the foregoing, to the extent that moneys are available for the payment of Rental Payments in any of the funds and accounts established under the Indenture, Rental Payments shall not be abated as provided above but, rather, shall be payable by the City as a special obligation payable solely from said funds and accounts.

ARTICLE IV

MAINTENANCE, ALTERATIONS AND ADDITIONS

Section 4.01 Maintenance and Utilities. Throughout the term of this Lease Agreement, as part of the consideration for rental of the Property, all improvement, repair and maintenance of the Property shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the Property, which may include, without limitation, janitor service, security, power gas, telephone, light, heating, ventilation, air conditioning, water and all other utility services, and shall pay for or otherwise arrange for payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of the City or any assignee or sublessee thereof. In exchange for the Rental Payments, the Authority agrees to provide only the Property.

Section 4.02 Additions to Property. Subject to Section 8.02 hereof, the City and any sublessee shall, at its own expense, have the right to make additions, modifications and improvements to the Property. To the extent that the removal of such additions, modifications or improvements would not cause material damage to the Property so as to cause an abatement of Lease Agreements, pursuant to Section 3.06 hereof, such additions, modifications and improvements shall remain the sole property of the City or such sublessee, and neither the Authority nor the Trustee shall have any interest therein. Such additions, modifications and improvements shall not in any way damage the Property or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is at least equal to the value of the Property immediately prior to the making of such additions, modifications and improvements.

Section 4.03 Installation of City's Equipment. The City and any sublessee may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed items of equipment or other personal property in or upon the Property. All such items shall remain the sole property of the City or such sublessee, and neither the Authority nor the Trustee shall have any interest therein. The City or such sublessee may remove or modify such equipment or other personal property at any time, provided that such party shall repair and restore any and all damage to the Property resulting from the installation, modification or removal of any such items. Nothing in this Lease Agreement shall prevent the City or any sublessee from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Property.

ARTICLE V

INSURANCE

Section 5.01 Commercial General Liability and Property Damage Insurance; Workers' Compensation Insurance.

(a) The City shall maintain or cause to be maintained, throughout the term of this Lease Agreement, a standard commercial general liability insurance policy or policies in protection of the City, the Authority and their respective members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the use or ownership of the Property. Said policy or policies shall provide coverage in the minimum liability limits of $1,000,000 for personal injury or death of each person and $3,000,000 for personal injury or deaths of two or more persons in a single accident or event, and in a minimum amount of $500,000 for damage to property (subject to a deductible clause of not to exceed $100,000) resulting from a single accident or event. Such commercial general liability and property damage insurance may, however, be in the form of a single limit policy in the amount of $3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, provided that such self-insurance complies with the provisions of Section 5.04 hereof. The Net Insurance Proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the Net Insurance Proceeds of such insurance shall have been paid.

(b) The City shall maintain or cause to be maintained, throughout the term of this Lease Agreement, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the California Labor Code, or any act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the City in connection with the Property and to cover full liability for compensation under any such act; provided, however, that the City's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 5.04 hereof.

(c) The City shall maintain or cause to be maintained, fire, lightning and special extended coverage insurance (which shall include coverage for vandalism and malicious mischief, but need not include coverage for earthquake damage) on all improvements constituting any part of the Property in an amount equal to the greater of 100% of the replacement cost of such improvements or 100% of the outstanding principal amount of the Bonds. The City has an insurance policy which provides replacement cost coverage. All insurance required to be maintained pursuant to this subsection may be subject to a deductible in an amount not to exceed $500,000. The City's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 5.04 hereof.

(d) The City shall maintain rental interruption insurance to cover the Authority's loss, total or partial, of Base Rental Payments resulting from the loss, total or partial, of the use of any part of the Property as a result of any of the hazards required to be covered pursuant to subsection (c) of this Section in an amount sufficient at all times to pay an amount not less than the

product of two times the maximum amount of Base Rental Payments scheduled to be paid during any Rental Period. The City shall not be permitted to self-insure its obligation under this subsection.

(e) The insurance required by this Section shall be provided by reputable insurance companies with claims paying abilities determined, in the reasonable opinion of a professionally certified risk manager or an independent insurance consultant, to be adequate for the purposes hereof.

Section 5.02 Title Insurance. The City shall provide, at its own expense, one or more CLTA or ALTA title insurance policies for the Property, in the aggregate amount of not less than the initial aggregate principal amount of the Bonds. Such policy or policies shall insure: (a) the fee interest of the City in the Property; (b) the Authority's ground leasehold estate in the Property under the Ground Lease; and (c) the City's leasehold estate hereunder in the Property, subject only to Permitted Encumbrances. All Net Insurance Proceeds received under said policy or policies shall be deposited with the Trustee and applied as provided in Section 5.04 of the Indenture. So long as any of the Bonds remain Outstanding, each policy of title insurance obtained pursuant to the Indenture or this Lease Agreement or required thereby or hereby shall provide that all proceeds thereunder shall be payable to the Trustee for the benefit of the Bond Owners.

Section 5.03 Additional Insurance Provision; Form of Policies. The City shall pay or cause to be paid when due the premiums for all insurance policies required by Section 5.01 hereof. All such policies shall provide that the Trustee shall be given 30 days' notice of the expiration thereof or any intended cancellation thereof. The Trustee shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Trustee.

The City shall cause to be delivered to the Trustee on or before September 10 each year, commencing September 10, 2027, a Certificate of the City stating that such policies are in full force and effect and that the City is in full compliance with the requirements of this Article. The Trustee shall be entitled to rely upon said Certificate of the City as to the City's compliance with this Article. The Trustee shall not be responsible for the sufficiency of coverage or amounts of such policies.

Section 5.04 Self-Insurance. Insurance provided through a California joint powers authority of which the City is a member or with which the City contracts for insurance shall be deemed to be self-insurance for purposes hereof. Any self-insurance maintained by the City pursuant to this Article shall comply with the following terms:

(a) the self-insurance program and any self-insured retentions maintained by the City shall be approved in writing by a professionally certified risk manager or by an independent insurance consultant (who may be an employee of the City);

(b) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim shall be paid, the adequacy of each such fund shall be evaluated on an annual basis by a professionally certified risk manager or by an independent insurance consultant (who may be an employee of the City) and any deficiencies in any self-insured claims reserve fund shall be remedied in accordance with the recommendation of a professionally certified risk manager or such independent insurance consultant, as applicable; and

(c) in the event that the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund, as determined by a professionally certified risk manager or by an independent insurance consultant, shall be maintained.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01 Defaults and Remedies.

(a) (i) If the City shall fail to: (A) pay any Rental Payment payable hereunder when the same becomes due and payable, time being expressly declared to be of the essence in this Lease Agreement; or (B) keep, observe or perform any other material term, covenant or condition contained herein or in the Indenture to be kept or performed by the City; or (ii) upon the happening of any of the events specified in this subsection or in subsection (b) of this Section, the City shall be deemed to be in default hereunder and it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or granted pursuant to this Lease Agreement. The City shall in no event be in default in the observance or performance of any covenant, condition or agreement in this Lease Agreement on its part to be observed or performed, other than as referred to in clause (i)(A) or (ii) of the preceding sentence, unless the City shall have failed, for a period of thirty (30) days or such additional time as is reasonably required, to correct any such default after notice by the Authority to the City properly specifying wherein the City has failed to perform any such covenant, condition or agreement. Upon any such default, the Authority, in addition to all other rights and remedies it may have at law, shall have the option to do any of the following:

(1) To terminate this Lease Agreement in the manner hereinafter provided on account of default by the City, notwithstanding any re-entry or re-letting of the Property as hereinafter provided for in subparagraph (2) hereof, and to re-enter the Property and remove all persons in possession thereof and all personal property whatsoever situated upon the Property and place such personal property in storage in any warehouse or other suitable place, for the account of and at the expense of the City. In the event of such termination, the City agrees to surrender immediately possession of the Property, without let or hindrance, and to pay the Authority all damages recoverable at law that the Authority may incur by reason of default by the City, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon the Property and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. Neither notice to pay Rental Payments or to deliver up possession of the Property given pursuant to law nor any entry or re-entry by the Authority nor any proceeding in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Property nor the appointment of a receiver upon initiative of the Authority to protect the Authority's interest under this Lease Agreement shall of itself operate to terminate this Lease Agreement, and no termination of this Lease Agreement on account of default by the City shall be or become effective by operation of law or acts of the parties hereto, or otherwise, unless and until the Authority shall have given written notice to the City of the election on the part of the Authority to terminate this Lease Agreement. The City covenants and agrees that no surrender of the Property or of the remainder of the term hereof or any termination of this Lease Agreement shall be valid in any manner or for any purpose whatsoever unless stated by the Authority by such written notice.

(2) Without terminating this Lease Agreement: (x) to collect each installment of Rental Payments as the same become due and enforce any other terms or provisions hereof to be kept or performed by the City, regardless of whether or not the City has abandoned the Property; or (y) to exercise any and all rights of entry and re-entry upon the Property. In the event that the Authority does not elect to terminate this Lease Agreement in the manner provided for in subparagraph (1) hereof, the City shall remain liable and agrees to keep or perform all covenants and conditions herein contained to be kept or performed by the City and, if the Property is not re-let, to pay the full amount of the Rental Payments to the end of the term of this Lease Agreement or, in the event that the Property is re-let, to pay any deficiency in Rental Payments that results therefrom; and further agrees to pay said Rental Payments and/or Rental Payment deficiency punctually at the same time and in the same manner as hereinabove provided for the payment of Rental Payments hereunder, notwithstanding the fact that the Authority may have received in previous years or may receive thereafter in subsequent years Rental Payments in excess of the Rental Payments herein specified, and notwithstanding any entry or re-entry by the Authority or suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Property. Should the Authority elect to re-enter as herein provided, the City hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the City to re-let the Property, or any part thereof, from time to time, either in the Authority's name or otherwise, upon such terms and conditions and for such use and period as the Authority may deem advisable and to remove all persons in possession thereof and all personal property whatsoever situated upon the Property and to place such personal property in storage in any warehouse or other suitable place, for the account of and at the expense of the City, and the City hereby indemnifies and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon and re-letting of the Property and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The City agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Authority to re-let the Property in the event of such re-entry without effecting a surrender of this Lease Agreement, and further agrees that no acts of the Authority in effecting such re-letting shall constitute a surrender or termination of this Lease Agreement irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate this Lease Agreement shall vest in the Authority to be effected in the sole and exclusive manner provided for in subparagraph (1) hereof. The City further agrees to pay the Authority the cost of any alterations or additions to the Property necessary to place the Property in condition for re-letting immediately upon notice to the City of the completion and installation of such additions or alterations.

The City hereby waives any and all claims for damages caused or which may be caused by the Authority in re-entering and taking possession of the Property as herein provided and all claims for damages that may result from the destruction of or injury to the Property and all claims for damages to or loss of any property belonging to the City, or any other person, that may be in or upon the Property.

(b) If: (i) the City's interest in this Lease Agreement or any part thereof be assigned or transferred, either voluntarily or by operation of law or otherwise, without the written consent of the Authority and, as hereinafter provided for; or (ii) the City or any assignee shall file any petition or institute any proceeding under any act or acts, state or federal, dealing with or relating to the subject or subjects of bankruptcy or insolvency, or under any amendment of such act or acts, either as a bankrupt or as an insolvent, or as a debtor, or in any similar capacity, wherein or whereby the City asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of

the City's debts or obligations, or offers to the City's creditors to elect a composition or extension of time to pay the City's debts or asks, seeks or prays for reorganization or to effect a plan of reorganization, or for a readjustment of the City's debts, or for any other similar relief, or if any such petition or any such proceedings of the same or similar kind or character be filed or be instituted or taken against the City, or if a receiver of the business or of the property or assets of the City shall be appointed by any court, except a receiver appointed at the instance or request of the Authority, or if the City shall make a general assignment for the benefit of the City's creditors; or (iii) the City shall abandon or vacate the Property, then the City shall be deemed to be in default hereunder.

(c) In addition to the other remedies set forth in this Section, upon the occurrence of an event of default, the Authority and its assignee shall be entitled to proceed to protect and enforce the rights vested in the Authority and its assignee by this Lease Agreement or by law. The provisions of this Lease Agreement and the duties of the City and of its city council, officers or employees shall be enforceable by the Authority or its assignee by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Authority and its assignee shall have the right to bring the following actions:

(i) Accounting. By action or suit in equity to require the City and its city council, officers and employees and its assigns to account as the trustee of an express trust.

(ii) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Authority or its assignee.

(iii) Mandamus. By mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's or its assignee's rights against the City (and its city council, officers and employees) and to compel the City to perform and carry out its duties and obligations under the law and its covenants and agreements with the City as provided herein.

Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the single or partial exercise of any right, power or privilege hereunder shall not impair the right of the Authority to the further exercise thereof or the exercise of any or all other rights, powers or privileges. The term "re-let" or "re-letting" as used in this Section shall include, but not be limited to, re-letting by means of the operation by the Authority of the Property. If any statute or rule of law validly shall limit the remedies given to the Authority hereunder, the Authority nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

In the event that the Authority shall prevail in any action brought to enforce any of the terms and provisions of this Lease Agreement, the City agrees to pay a reasonable amount as and for attorney's fees incurred by the Authority in attempting to enforce any of the remedies available to the Authority hereunder.

Notwithstanding anything to the contrary contained in this Lease Agreement, the Authority shall have no right upon a default hereunder by the City to accelerate Rental Payments.

(d) Notwithstanding anything to the contrary contained in this Lease Agreement, the termination of this Lease Agreement by the Authority and its assignees on account of a default by the City under this Section shall not effect or result in a termination of the Ground Lease.

Section 6.02 Waiver. Failure of the Authority to take advantage of any default on the part of the City shall not be, or be construed as, a waiver thereof, nor shall any custom or practice which may grow up between the parties in the course of administering this instrument be construed to waive or to lessen the right of the Authority to insist upon performance by the City of any term, covenant or condition hereof, or to exercise any rights given the Authority on account of such default. A waiver of a particular default shall not be deemed to be a waiver of any other default or of the same default subsequently occurring. The acceptance of Rental Payments hereunder shall not be, or be construed to be, a waiver of any term, covenant or condition of this Lease Agreement.

ARTICLE VII

EMINENT DOMAIN; PREPAYMENT

Section 7.01 Eminent Domain. If all of the Property (or portions thereof such that the remainder is not usable for public purposes by the City) shall be taken under the power of eminent domain, the term hereof shall cease as of the day that possession shall be so taken. If less than all of the Property shall be taken under the power of eminent domain and the remainder is usable for public purposes by the City at the time of such taking, then this Lease Agreement shall continue in full force and effect as to such remainder, and the parties waive the benefits of any law to the contrary, and in such event there shall be a partial abatement of the Rental Payments in accordance with the provisions of Section 3.06 hereof. So long as any Bonds shall be Outstanding, any award made in eminent domain proceedings for the taking of the Property, or any portion thereof, shall be paid to the Trustee and applied to the redemption of Bonds as provided in subsection (a) of Section 4.01 of the Indenture, in the corresponding provisions of any Supplemental Indenture pursuant to which Additional Bonds are issued and in Section 5.03 of the Indenture. Any such award made after all of the Bonds, and all other amounts due under the Indenture and hereunder, have been fully paid, shall be paid to the Authority and to the City as their respective interests may appear.

Section 7.02 Prepayment.

(a) The City may prepay all or a portion of the Base Rental Payments attributable to the Series 2026C Bonds which are payable after March 1, 20__ from any source of available funds, on March 1, 20__ or any date thereafter by paying: (i) all or a portion, as selected by the City, of the principal components of such Base Rental Payments; and (ii) the accrued but unpaid interest component of such Base Rental Payments to be prepaid to the date of such prepayment.

(b) The City may prepay all or a portion of the Base Rental Payments attributable to the Series 2026D Bonds which are payable after March 1, 20__ from any source of available funds, on March 1, 20__ or any date thereafter by paying: (i) all or a portion, as selected by the City, of the principal components of such Base Rental Payments; and (ii) the accrued but unpaid interest component of such Base Rental Payments to be prepaid to the date of such prepayment.

(c) The City may prepay, from any source of available funds, all or any portion of the Base Rental Payments attributable to the Series 2026 Bonds by depositing with the Trustee moneys or securities as provided, and subject to the terms and conditions set forth, in Article X of the Indenture sufficient to make such Base Rental Payments when due or to make such Base Rental Payments through a specified date on which the City has a right to prepay such Base Rental Payments pursuant to subsection (a) of this Section, and to prepay such Base Rental Payments on

such prepayment date, at a prepayment price determined in accordance with subsection (a) of this Section.

(d) If less than all of the Base Rental Payments attributable to the Series 2026 Bonds are prepaid pursuant to this Section then, as of the date of such prepayment pursuant to subsection (a) of this Section, or the date of a deposit pursuant to subsection (b) of this Section, the principal and interest components of such Base Rental Payments shall be recalculated by the City and transmitted to the Trustee in order to take such prepayment into account. The City agrees that if, following a partial prepayment of such Base Rental Payments, the Property is damaged or destroyed or taken by eminent domain, or a defect in title to the Property is discovered, the City shall not be entitled to, and by such prepayment waives the right of, abatement of such prepaid Base Rental Payments and the City shall not be entitled to any reimbursement of such Base Rental Payments.

(e) If all of the Base Rental Payments are prepaid in accordance with the provisions of this Lease Agreement then, as of the date of such prepayment pursuant to subsection (a) of this Section and, if applicable, the corresponding provisions hereof relating to the prepayment of Base Rental Payments attributable to Additional Bonds, or deposit pursuant to subsection (b) of this Section and, if applicable, such corresponding provisions, and payment of all other amounts owed under this Lease Agreement have been made, the term of this Lease Agreement shall be terminated.

(f) Prepayments of Base Rental Payments attributable to the Series 2026 Bonds made pursuant to this Section shall be applied to the redemption of Series 2026 Bonds as directed by the City and as provided in Section 4.01 of the Indenture.

ARTICLE VIII

COVENANTS

Section 8.01 Right of Entry. The Authority and its assignees shall have the right to enter upon and to examine and inspect the Property during reasonable business hours (and in emergencies at all times) for any purpose connected with the Authority's rights or obligations under this Lease Agreement, and for all other lawful purposes.

Section 8.02 Liens. In the event that the City shall at any time during the term of this Lease Agreement cause any changes, alterations, additions, improvements, or other work to be done or performed or materials to be supplied, in or upon the Property, the City shall pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the City in, upon or about the Property and which may be secured by a mechanics', materialmen's or other lien against the Property or the Authority's interest therein, and will cause each such lien to be fully discharged and released at the time that the performance of any obligation secured by any such lien matures or becomes due, except that, if the City desires to contest any such lien, it may do so as long as such contestment is in good faith. If any such lien shall be reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and said stay thereafter expires, the City shall forthwith pay and discharge said judgment.

Section 8.03 Quiet Enjoyment. The parties hereto mutually covenant that the City, by keeping and performing the covenants and agreements herein contained, shall at all times during the

term of this Lease Agreement peaceably and quietly have, hold and enjoy the Property without suit, trouble or hindrance from the Authority.

Section 8.04 Authority Not Liable. The Authority and its directors, officers, agents and employees shall not be liable to the City or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Property. To the extent permitted by law, the City shall, at its expense, indemnify and hold the Authority and the Trustee and all directors, members, officers and employees thereof harmless against and from any and all claims by or on behalf of any person, firm, corporation or governmental authority arising from the acquisition, construction, occupation, use, operation, maintenance, possession, conduct or management of or from any work done in or about the Property or from the subletting of any part thereof, including any liability for violation of conditions, agreements, restrictions, laws, ordinances, or regulations affecting the Property or the occupancy or use thereof, but excepting the negligence or willful misconduct of the persons or entity seeking indemnity. The City also covenants and agrees, at its expense, to pay and indemnify and save the Authority and the Trustee and all directors, officers and employees thereof harmless against and from any and all claims arising from: (a) any condition of the Property and the adjoining sidewalks and passageways; (b) any breach or default on the part of the City in the performance of any covenant or agreement to be performed by the City pursuant to this Lease Agreement; (c) any act or negligence of licensees in connection with their use, occupancy or operation of the Property; or (d) any accident, injury or damage whatsoever caused to any person, firm or corporation in or about the Property or upon or under the sidewalks and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any claim referred to in this Section, but excepting the negligence or willful misconduct of the person or entity seeking indemnity. In the event that any action or proceeding is brought against the Authority or the Trustee or any director, member, officer or employee thereof by reason of any such claim, the City, upon notice from the Authority or the Trustee or such director, member, officer employee thereof, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to the Authority or the Trustee or such director, member, officer or employee thereof.

Section 8.05 Assignment and Subleasing. Neither this Lease Agreement nor any interest of the City hereunder shall be sold, mortgaged, pledged, assigned, or transferred by the City by voluntary act or by operation by law or otherwise. The Property may not be subleased in whole or in part by the City without the prior written consent of the Authority. Any such sublease shall be subject to all of the following conditions:

(a) this Lease Agreement and the obligation of the City to make all Rental Payments hereunder shall remain the primary obligation of the City;

(b) the City shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of such sublease;

(c) no such sublease by the City shall cause the Property to be used for a purpose other than a governmental or proprietary function authorized under the provisions of the Constitution and laws of the State of California;

(d) any sublease of the Property by the City shall explicitly provide that such sublease is subject to all rights of the Authority under this Lease Agreement, including the right to re-enter and re-let the Property or terminate this Lease Agreement upon a default by the City; and

(e) the City shall furnish the Authority and the Trustee with an Opinion of Counsel to the effect that such sublease will not, in and of itself, cause the interest on the Series 2026D Bonds to be included in gross income for federal income tax purposes.

Notwithstanding the foregoing, the Authority's consent and the Opinion of Counsel described in subsection (e) above shall not be required if the sublease, use agreement or license is cancellable by the City upon 55 days or less notice to the sublessee, licensee or user.

Section 8.06 Title to Property. Upon the termination or expiration of this Lease Agreement (other than as provided in Sections 6.01 and 7.01 hereof), and the first date upon which the Bonds are no longer Outstanding, all right, title and interest in and to the Property shall vest in the City. Upon any such termination or expiration, the Authority shall execute such conveyances, deeds and other documents as may be necessary to effect such vesting of record.

Section 8.07 Authority's Purpose. The Authority covenants that, prior to the discharge of this Lease Agreement and the Bonds, it will not engage in any activities inconsistent with the purposes for which the Authority is organized, as set forth in the Joint Powers Agreement.

Section 8.08 Representations of the City. The City represents and warrants to the Authority that: (a) the City has the full power and authority to enter into, to execute and to deliver this Lease Agreement and the Indenture, and to perform all of its duties and obligations hereunder and thereunder, and has duly authorized the execution and delivery of this Lease Agreement and the Indenture; and (b) the Property will be used in the performance of essential governmental functions.

Section 8.09 Representation of the Authority. The Authority represents and warrants to the City that the Authority has the full power and authority to enter into, to execute and to deliver this Lease Agreement, the Assignment Agreement and the Indenture, and to perform all of its duties and obligations hereunder and thereunder, and has duly authorized the execution and delivery of this Lease Agreement, the Assignment Agreement and the Indenture.

ARTICLE IX

NO CONSEQUENTIAL DAMAGES; USE OF THE PROPERTY; SUBSTITUTION OR RELEASE

Section 9.01 No Consequential Damages. In no event shall the Authority or the Trustee be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Lease Agreement or the City's use of the Property.

Section 9.02 Use of the Property. The City will not use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Lease Agreement. In addition, the City agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of the Property) with all laws of the jurisdictions in which its operations may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Property; provided, however, that the City may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Authority, adversely affect the estate of the Authority in and to any of the Property or its interest or rights under this Lease Agreement.

Section 9.03 Substitution or Release of, or Addition to, the Property. The City shall have the right to substitute alternate real property for any portion of the Property or to release a portion of the Property from this Lease Agreement or to add additional property to the encumbrance of this Lease Agreement. All costs and expenses incurred in connection with such substitution, release or addition shall be borne by the City. Notwithstanding any substitution or release of, or addition to, Property pursuant to this subsection, there shall be no reduction in or abatement of the Base Rental Payments due from the City hereunder as a result of such substitution, release or addition. Any such substitution or release of any portion of the Property, or addition to the Property, shall be subject to the following specific conditions, which are hereby made conditions precedent to such substitution, release or addition:

(a) The City shall have delivered a certificate to the Trustee setting forth its findings that the Property, as constituted after such substitution, release or addition: (i) has an annual fair rental value at least equal to the maximum Base Rental Payments payable by the City in any Rental Period; and (ii) has a useful life in excess of the final maturity of any Outstanding Bonds;

(b) With respect to any substituted or added property, the City shall have obtained or caused to be obtained a CLTA or ALTA title insurance policy or policies with respect to the Property (as such term will be defined after such substitution or addition) that when taken together with other title insurance policies covering the Property, will be in the amount at least equal to the aggregate principal amount of any Outstanding Bonds of the type and with the endorsements described in Section 5.02 hereof; and

(c) the City, the Authority and the Trustee shall have executed, and the City shall have caused to be recorded with the San Bernardino County Recorder, any document necessary to reconvey to the City the portion of the Property being released and to include any substituted or added real property in the description of the Property contained herein and in the Ground Lease.

ARTICLE X

MISCELLANEOUS

Section 10.01 Law Governing. THIS LEASE AGREEMENT SHALL BE GOVERNED EXCLUSIVELY BY THE PROVISIONS HEREOF AND BY THE LAWS OF THE STATE OF CALIFORNIA AS THE SAME FROM TIME TO TIME EXIST.

Section 10.02 Notices. All written notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the City: City of Ontario
303 East B Street
Ontario, CA 91764
Attention: City Manager

If to the Authority: Ontario Public Financing Authority
c/o City of Ontario
303 East B Street
Ontario, CA 91764
Attention: Executive Director

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed: (a) if personally served or delivered, upon delivery; (b) if given by electronic communication, whether by telex, telegram or telecopier, upon the sender's receipt of an appropriate answerback or other written acknowledgment; (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail; (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier; or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 10.03 Validity and Severability. If for any reason this Lease Agreement shall be held by a court of competent jurisdiction to be void, voidable or unenforceable by the Authority or by the City, or if for any reason it is held by such a court that any of the covenants and conditions of the City hereunder, including the covenant to pay Rental Payments, is unenforceable for the full term hereof; then and in such event this Lease Agreement is and shall be deemed to be a Lease Agreement under which the Rental Payments are to be paid by the City annually in consideration of the right of the City to possess, occupy and use the Property, and all of the terms, provisions and conditions of this Lease Agreement, except to the extent that such terms, provisions and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

Section 10.04 Net-Net-Net Lease. This Lease Agreement shall be deemed and construed to be a "net-net-net lease" and the City hereby agrees that the Rental Payments shall be an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever and notwithstanding any dispute between the City and the Authority.

Section 10.05 Taxes. The City shall pay or cause to be paid all taxes and assessments of any type or nature charged to the Authority or affecting the Property or the respective interests or estates therein; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the term of this Lease Agreement as and when the same become due.

The City or any sublessee may, at the City's or such sublessee's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority or the Trustee shall notify the City or such sublessee that, in the opinion of independent counsel, by nonpayment of any such items, the interest of the Authority in the Property will be materially endangered or the Property, or any part thereof, will be subject to loss or forfeiture, in which event the City or such sublessee shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority and the Trustee.

Section 10.06 Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Lease Agreement.

Section 10.07 Amendments.

(a) This Lease Agreement and the Ground Lease may be amended and the rights and obligations of the Authority and the City hereunder and thereunder may be amended at any time by an amendment hereto or thereto which shall become binding upon execution and delivery by the Authority and the City, but only with the prior written consent of the Owners of a majority of the principal amount of the Bonds then Outstanding pursuant to the Indenture, provided that no such amendment shall: (i) extend the payment date of any Base Rental Payments, reduce the interest component or principal component of any Base Rental Payments or change the prepayment terms and provisions, without the prior written consent of the Owner of each Bond so affected; or (ii) reduce the percentage of the principal amount of the Bonds the consent of the Owners of which is required for the execution of any amendment of this Lease Agreement or the Ground Lease.

(b) This Lease Agreement and the Ground Lease and the rights and obligations of the Authority and the City hereunder and thereunder may also be amended at any time by an amendment hereto or thereto which shall become binding upon execution by the Authority and the City, without the written consents of any Owners, but only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the agreements, conditions, covenants and terms required by the Authority or the City to be observed or performed herein or therein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority or the City, or to surrender any right or power reserved herein or therein to or conferred herein or therein on the Authority or the City, and which in either case shall not materially adversely affect the interests of the Owners;

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or therein or in regard to questions arising hereunder or thereunder which the Authority or the City may deem desirable or necessary and not inconsistent herewith or therewith, and which shall not materially adversely affect the interests of the Owners;

(iii) to make such additions, deletions or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of the interest on the Bonds;

(iv) to provide for the substitution or release of a portion of the Property in accordance with the provisions of Section 9.03 hereof;

(v) to provide for the issuance of Additional Bonds in accordance with Article III of the Indenture; or

(vi) to make such other changes herein or therein or modifications hereto or thereto as the Authority or the City may deem desirable or necessary, and which shall not materially adversely affect the interests of the Owners.

Section 10.08 Assignment. The City and the Authority hereby acknowledge the assignment of this Lease Agreement (except for the Authority's obligations and its rights to give consents or approvals hereunder), and the Base Rental Payments payable hereunder, to the Trustee pursuant to the Assignment Agreement. To the extent that this Lease Agreement confers upon or gives or grants the Trustee any right, remedy or claim under or by reason of this Lease Agreement, the Trustee is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 10.09 Execution. This Lease Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Lease Agreement.

IN WITNESS WHEREOF, the Authority and the City have caused this Lease Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF ONTARIO

By: _____
City Manager

ATTEST:

_____
City Clerk

ONTARIO PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

ATTEST:

_____
Secretary

EXHIBIT A

DESCRIPTION OF THE PROPERTY

- Professional Baseball Stadium (the "ONT Field") and associated Stadium Parking Structure
- Fire Station No. 1
- Civic Center Parking Structure

EXHIBIT B

BASE RENTAL PAYMENT SCHEDULE

	Series 2026C Base Rental Payments			*Series 2026D Base Rental Payments*			*Annual Combined Base Rental Payments*
Interest Payment Date*	***Principal Component***	***Interest Component***	***Series 2026C Base Rental***	***Principal Component***	***Interest Component***	***Series 2026D Base Rental***	

* Base Rental Deposit Date is 5 Business Days prior to Interest Payment Date.

Total	**$**	**$**	**$**	**$**	**$**	**$**	**$**

INDENTURE

by and among

ONTARIO PUBLIC FINANCING AUTHORITY

and

CITY OF ONTARIO

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

Dated as of _____ 1, 2026

Relating to

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026C (FEDERALLY TAXABLE)

and

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026D (TAX-EXEMPT)

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INDENTURE

THIS INDENTURE (this "**Indenture**"), executed and entered into as of _____ 1, 2026, is by and among the ONTARIO PUBLIC FINANCING AUTHORITY, a joint exercise of powers entity duly organized and existing under the laws of the State of California (the "**Authority**"), the CITY OF ONTARIO, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "**City**"), and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States, as Trustee (the "**Trustee**").

RECITALS

A. The City and the Authority desire to finance a portion of the costs of the acquisition, construction and/or installation of various public improvements (collectively, the "**Project**").

B. In order to finance the Project, the City will lease certain real property and the improvements located thereon (the "**Property**") to the Authority pursuant to that certain Ground Lease, dated as of the date hereof, and the City will sublease the Property back from the Authority pursuant to that certain Lease Agreement, dated as of the date hereof (the "**Lease Agreement**").

C. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide the funds necessary to finance the Project through the issuance by the Authority of bonds payable from the base rental payments (the "**Base Rental Payments**") to be made by the City under the Lease Agreement.

D. All rights to receive the Base Rental Payments have been assigned without recourse by the Authority to the Trustee pursuant to that certain Assignment Agreement, dated as of the date hereof, by and between the Authority and the Trustee.

E. The Authority and the City desire to provide for the issuance by the Authority of the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable) (the "**Series 2026C Bonds**") and Series 2026D Bonds (Tax-Exempt) (the "**Series 2026D Bonds**" and together with the Series 2026C Bonds, the "**Series 2026 Bonds**"), in the aggregate principal amount of $_____, in order to finance the Project.

F. The Series 2026 Bonds will be payable equally and ratably from the Base Rental Payments.

G. The Authority and the City desire to provide for the issuance of additional bonds (the "**Additional Bonds**") payable from the Base Rental Payments on a parity with the Series 2026 Bonds (the Series 2026 Bonds and any such Additional Bonds being collectively referred to as the "**Bonds**").

H. In order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Authority and the City have authorized the execution and delivery of this Indenture.

I. The Authority and the City have determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of the Indenture has been in all respects duly authorized.

NOW THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties do hereby agree as follows:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of the Bonds and of any certificate, opinion, request or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Lease Agreement.

"**Act**" means the Marks-Roos Local Bond Pooling Act of 1985, commencing with Section 6584 of the California Government Code.

"**Additional Bonds**" means Bonds other than the Series 2026 Bonds issued hereunder in accordance with the provisions of Sections 3.06 and 3.07 hereof.

"**Additional Rental Payments**" means all amounts payable by the City as Additional Rental Payments pursuant to Section 3.02 of the Lease Agreement.

"**Assignment Agreement**" means the Assignment Agreement, dated as of the date hereof, by and between the Authority and the Trustee.

"**Authority**" means the Ontario Public Financing Authority, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California.

"**Authorized Authority Representative**" means the Chair, Vice Chair, Executive Director, Treasurer and Secretary of the Authority, or any other person authorized by the Board of Commissioners of the Authority to act on behalf of the Authority under or with respect to this Indenture.

"**Authorized City Representative**" means the Mayor of the City, the Mayor Pro Tem of the City, the City Manager of the City, the Executive Director of Finance of the City or the City Clerk, or any other person authorized by the City Council of the City to act on behalf of the City under or with respect to this Indenture.

"**Authorized Denominations**" means $5,000 or any integral multiple thereof.

"**Base Rental Payment Fund**" means the fund by that name established in accordance with Section 5.02 hereof.

"**Base Rental Payments**" means all amounts payable to the Authority by the City as Base Rental Payments pursuant to Section 3.01 of the Lease Agreement.

"**Bonds**" means the Series 2026 Bonds and any Additional Bonds issued hereunder.

"**Book-Entry Bonds**" means the Bonds of a Series registered in the name of the nominee of DTC, or any successor securities depository for such Series of Bonds, as the registered owner thereof pursuant to the terms and provisions of Section 2.10 hereof.

"**Business Day**" means a day which is not: (a) a Saturday, Sunday or legal holiday; (b) a day on which banking institutions in the State of California, or in any state in which the Office of the Trustee is located, are required or authorized by law (including executive order) to close; or (c) a day on which the New York Stock Exchange is closed. Unless specifically referenced in this Indenture as a "Business Day," all references to "day" or "days" shall be to calendar days.

"**Cede & Co.**" means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to a Series of Book-Entry Bonds.

"**City**" means the City of Ontario, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California.

"**Closing Date**" means _____, 2026.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Continuing Disclosure Certificate**" means the Continuing Disclosure Certificate, dated as of the date hereof, executed by the City in connection with the issuance of the Series 2026 Bonds, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

"**Costs of Issuance**" means all of the costs of issuing and delivering the Bonds, including, but not limited to, all printing and document preparation expenses in connection with this Indenture, the Lease Agreement, the Ground Lease, the Assignment Agreement, the Bonds and any preliminary official statement and final official statement pertaining to the Bonds, rating agency fees, CUSIP Service Bureau charges, market study fees, legal fees and expenses of counsel in connection with the issuance and delivery of the Bonds, the initial fees and expenses of the Trustee and its counsel and other fees and expenses incurred in connection with the issuance and delivery of the Bonds, to the extent such fees and expenses are approved by the City.

"**Costs of Issuance Fund**" means the fund by that name established in accordance with Section 3.03 hereof.

"**DTC**" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for any Series of Book-Entry Bonds, including any such successor appointed pursuant to Section 2.10 hereof.

"**Federal Securities**" means: (a) non-callable direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America); and (b) obligations of any agency, department or instrumentality of the United States of America the timely payment of principal of and interest on which are fully guaranteed by the United States of America, provided that such securities are eligible for defeasance under the then-existing criteria of S&P.

"**Ground Lease**" means the Ground Lease, dated as of the date hereof, by and between the City and the Authority, as originally executed and as it may from time to time be amended in accordance with the provisions thereof and of the Lease Agreement.

"**Indenture**" means this Indenture, as originally executed and as it may be amended or supplemented from time to time by any Supplemental Indenture.

"**Information Services**" means the Municipal Securities Rulemaking Board through the Electronic Municipal Marketplace Access (EMMA) website; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Authority may designate in a Written Certificate of the Authority delivered to the Trustee.

"**Interest Fund**" means the fund by that name established in accordance with Section 5.02 hereof.

"**Interest Payment Date**" means March 1 and September 1 of each year, commencing on September 1, 2026.

"**Lease Agreement**" means the Lease Agreement, dated as of the date hereof, by and between the City and the Authority, as originally executed and as it may be from time to time amended in accordance with the provisions thereof.

"**Moody's**" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, or its successors and assigns, except that if such corporation shall no longer perform the function of a securities rating agency for any reason, the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

"**Net Insurance Proceeds Fund**" means the fund by that name established in accordance with Section 5.03 hereof.

"**Office of the Trustee**" means the principal corporate trust office of the Trustee in Los Angeles, California, or such other office as may be specified to the Authority and the City by the Trustee in writing, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term shall mean the office or the agency of the Trustee at which, at any particular time, its corporate trust agency shall be conducted as specified to the Authority and the City by the Trustee in writing.

"**Opinion of Counsel**" means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the Authority or the City and which written opinion is satisfactory to the Trustee.

"**Outstanding**," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.09 hereof) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds with respect to which all liability of the Authority shall have been discharged in accordance with Section 10.01 hereof; and

(c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

"**Owner**" means, with respect to a Bond, the Person in whose name such Bond is registered on the Registration Books.

"**Participant**" means any entity which is recognized as a participant by DTC in DTC's book-entry system of maintaining records with respect to Book-Entry Bonds.

"**Participating Underwriter**" has the meaning ascribed thereto in the Continuing Disclosure Certificate.

"**Permitted Investments**" means any of the following to the extent then permitted by the general laws of the State of California (provided that the Trustee shall be entitled to rely upon any investment directions from the City and Authority as conclusive certification to the Trustee that the investments described therein are so authorized under the laws of the State of California):

(1) (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"); (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America; (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America; or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated (collectively "United States Obligations"). These include, but are not necessarily limited to:

-U.S. Treasury Obligations
All direct or fully guaranteed obligations
-Farmers Home Administration
Certificates of beneficial ownership
-General Services Administration
Participation certificates
-U.S. Maritime Administration
Guaranteed Title XI financing

-Small Business Administration
Guaranteed participation certificates
Guaranteed pool certificates
-Government National Mortgage Association (GNMA)
GNMA-guaranteed mortgage-backed securities
GNMA-guaranteed participation certificates
-U.S. Department of Housing & Urban Development
Local authority bonds
-Washington Metropolitan Area Transit Authority
Guaranteed transit bonds

(2) Federal Housing Administration debentures.

(3) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

-Federal Home Loan Mortgage Corporation (FHLMC)
Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
Senior debt obligations
-Farm Credit Banks (formerly: Federal Land Banks, Federal intermediate Credit Banks and Banks for Cooperatives)
Consolidated systemwide bonds and notes
-Federal Home Loan Banks (FHL Banks)
Consolidated debt obligations
-Federal National Mortgage Association (FNMA)
Senior debt obligations
Mortgage-backed securities (excluded are stripped mortgages securities which are purchased at prices exceeding their principal amounts)
-Financing Corporation (FICO)
Debt obligations
-Resolution Funding Corporation (REFCORP)
Debt obligations

(4) Unsecured certificates of deposit, time deposits or other similar bank deposit products, and bankers' acceptances (having maturities of not more than 180 days) of any bank, including the Trustee and its affiliates, the short-term obligations of which are rated "A-1+" or better by S&P and "P-1" or better by Moody's.

(5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks, including the Trustee and its affiliates, which have capital and surplus of at least $5 million.

(6) Commercial paper (having original maturities of not more than 270 days) rated "A-1+" by S&P and "Prime-1" by Moody's at the time of purchase.

(7) Money market funds rated "AAm" or "AAm-G" or better by S&P and "Aa2" or better by Moody's, including such funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services or for which the Trustee or an affiliate of the

Trustee serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that: (i) the Trustee or an affiliate of the Trustee receives and retains a fee for services extended to the fund; (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds; and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

(8) State Obligations

(a) Direct general obligations of any state of the United States or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A2" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(b) Direct, general short-term obligations of any state agency or subdivision described in (a) above and rated "A-1+" by S&P and "Prime-1" by Moody's.

(c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated "AA" or better by S&P and "Aa2" or better by Moody's.

(9) Local Agency Investment Fund.

(10) Any investment agreements or similar instruments, including but not limited to, guaranteed investment contracts, repurchase agreements and forward delivery agreements, which constitute unconditional obligations of the investment agreement provider and provide for repayment of principal at par (other than upon an early termination); provided that at the time of execution and delivery of the investment agreement, the investment agreement provider will have ratings, or is guaranteed by an entity that has ratings, on its long-term debt obligations (or financial strength/ claims paying ability) in one of the three highest rating categories by S&P or Fitch.

(11) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

(a) the municipal obligations are: (i) not subject to redemption prior to maturity; or (ii) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("**Verification**");

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

Collateral Levels For United States Treasury Obligations

Remaining Maturity

Frequency of Valuation	***1 year or less***	***5 years or less***	***10 years or less***	***15 years or less***	***30 years or less***
Daily	102	105	106	108	114
Weekly	103	111	112	114	120
Monthly	105	117	120	125	133
Quarterly	107	120	130	133	140

Further Requirements: (a) On each valuation date, the City, or the custodian who shall confirm to the City and the Trustee, shall value the market value (exclusive of accrued interest) of the collateral, which market value will be an amount equal to the requisite collateral percentage times the principal amount of the investment (including unpaid accrued interest thereon) that is being secured; (b) in the event the collateral level is below its collateral percentage on a valuation date, such percentage shall be restored within the following restoration periods: one Business Day for daily valuations, two Business Days for weekly and monthly valuations, and one month for quarterly valuations (the use of different restoration periods affect the requisite collateral percentage); (c) the City or the Trustee (acting at the direction of the City) shall terminate the repurchase agreement or the investment agreement, as the case may be, upon a failure to maintain the requisite collateral percentage after the restoration period and, if not paid by the counterparty in federal funds against transfer of the collateral, liquidate the collateral.

The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of such Permitted Investments.

"**Person**" means an individual, corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"**Principal Fund**" means the fund by that name established in accordance with Section 5.02 hereof.

"**Project**" means the acquisition, construction and/or installation of the Series 2026 Project and such other capital facilities that may be financed from proceeds of Additional Bonds as set forth in a Supplemental Indenture.

"**Project Fund**" means the fund by that name established in accordance with Section 3.04 hereof.

"**Rebate Fund**" means the fund by that name established in accordance with Section 5.05 hereof.

"**Rebate Requirement**" has the meaning ascribed thereto in the Tax Certificate.

"**Record Date**" means the fifteenth day of the month next preceding an Interest Payment Date, whether or not such day is a Business Day.

"**Redemption Fund**" means the fund by that name established in accordance with Section 5.02 hereof.

"**Redemption Price**" means the aggregate amount of principal of and premium, if any, on the Bonds upon the redemption thereof pursuant hereto.

"**Registration Books**" means the records maintained by the Trustee for the registration of ownership and registration of transfer of the Bonds pursuant to Section 2.05 hereof.

"**Rental Payments**" means, collectively, the Base Rental Payments and the Additional Rental Payments.

"**Rental Period**" means the period from the Closing Date through March 1, 2027 and, thereafter, the twelve-month period commencing on March 2 of each year during the term of the Lease Agreement.

"**Representation Letter**" means the Letter of Representations from the Authority to DTC, or any successor securities depository for any Series of Book-Entry Bonds, in which the Authority makes certain representations with respect to issues of its securities for deposit by DTC or such successor depository.

"**S&P**" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, or its successors and assigns, except that if such entity shall no longer perform the functions of a securities rating agency for any reason, the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

"**Securities Depositories**" means The Depository Trust Company; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the Authority may designate in a Written Certificate of the Authority delivered to the Trustee.

"**Series**" means the Series 2026C Bonds and the Series 2026D Bonds executed, authenticated and delivered on the Closing Date and identified pursuant to this Indenture and any Additional Bonds issued pursuant to a Supplemental Indenture and identified as a separate Series of Bonds.

"**Series 2026 Bonds**" means collectively, the Series 2026C Bonds and the Series 2026D Bonds.

"**Series 2026C Bonds**" means the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable) issued hereunder.

"**Series 2026D Bonds**" means the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt) issued hereunder.

"**Series 2026 Project**" means the acquisition, construction and/or installation of capital improvements of the City including but not limited to onsite and offsite improvements to The Ontario Sports Empire and other capital improvements identified in the City's Capital Improvement Plan.

"**Supplemental Indenture**" means any supplemental indenture amendatory of or supplemental to this Indenture, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"**Tax Certificate**" means the Tax Certificate executed by the Authority and the City at the time of issuance of the Series 2026D Bonds relating to the requirements of Section 148 of the Code, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

"**Trustee**" means Zions Bancorporation, National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States, or any successor thereto as Trustee hereunder, appointed as provided herein.

"**Written Certificate of the Authority**" and "**Written Request of the Authority**" mean, respectively, a written certificate or written request signed in the name of the Authority by an Authorized Authority Representative. Any such certificate or request may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

"**Written Certificate of the City**" and "**Written Request of the City**" mean, respectively, a written certificate or written request signed in the name of the City by an Authorized City Representative. Any such certificate or request may, but need, not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

Section 1.02 Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract among the Authority, the City, the Trustee and the Owners from time to time of all Bonds authorized, executed, issued and delivered hereunder and then Outstanding to secure the full and final payment of the principal of, premium, if any, and interest on all Bonds which may from time to time be authorized, executed, issued and delivered hereunder, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements and covenants set forth herein to be performed by or on behalf of the Authority or the City shall be for the equal and proportionate benefit, protection and security of all Owners of the Bonds without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number or date thereof or the time of authorization, sale, execution, issuance or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

THE BONDS

Section 2.01 Authorization of Bonds. The Authority hereby authorizes the issuance of the Bonds under and subject to the terms of this Indenture and applicable laws of the State of California for the purpose of financing the Project. The Bonds may consist of one or more Series of Bonds of varying denominations, dates, maturities, interest rates and other provisions, subject to the provisions and conditions contained herein.

Section 2.02 Terms of Series 2026 Bonds.

(a) The Series 2026C Bonds shall be designated the "Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable)." Each Series of Additional Bonds shall bear such additional designation as may be necessary or appropriate to distinguish such Series from every other Series, of Bonds.

(b) The Series 2026D Bonds shall be designated the "Ontario Financing Authority Lease Revenue Bonds, Series 2026D Bonds (Tax-Exempt)." Each Series of Additional Bonds shall bear such additional designation as may be necessary or appropriate to distinguish such Series from every other Series, of Bonds.

(c) The Series 2026C Bonds shall be issued in fully registered form without coupons in Authorized Denominations, so long as no Series 2026C Bond shall have more than one maturity date. The Series 2026C Bonds shall be dated as of the Closing Date, shall be issued in the aggregate principal amount of $_____, shall mature on March 1 of each year and shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the rates per annum as follows:

Maturity Date (March 1)	***Principal Amount***	***Interest Rate***

[T] Term Bond.

(d) The Series 2026D Bonds shall be issued in fully registered form without coupons in Authorized Denominations, so long as no Series 2026D Bond shall have more than one maturity date. The Series 2026D Bonds shall be dated as of the Closing Date, shall be issued in the aggregate principal amount of $_____, shall mature on March 1 of each year and shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the rates per annum as follows:

Maturity Date (March 1)	***Principal Amount***	***Interest Rate***

[T] Term Bond.

(e) Interest on the Series 2026 Bonds shall be payable from the Interest Payment Date next preceding the date of authentication thereof unless: (i) a Series 2026 Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it shall bear interest from such Interest Payment Date; (ii) a Series 2026 Bond is authenticated on or before the first Record Date, in which event interest thereon shall be payable from the dated date thereof; or (iii) interest on any Series 2026 Bond is in default as of the date of authentication thereof, in which event interest thereon shall be payable from the date to which interest has been paid in full, payable on each Interest Payment Date. Interest shall be paid in lawful money of the United States on each Interest Payment Date to the Persons in whose names the ownership of the Series 2026 Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Except as otherwise provided in Section 2.10(a), interest shall be paid by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Series 2026 Bond Owners at their respective addresses shown on the Registration Books as of the close of business on the preceding Record Date.

(f) The principal and premium, if any, of the Series 2026 Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof upon maturity or earlier redemption at the Office of the Trustee.

(g) The Series 2026 Bonds shall be subject to redemption as provided in Article IV.

Section 2.03 Form of Series 2026 Bonds. The Series 2026 Bonds shall be in substantially the form set forth in Exhibit A hereto, with appropriate or necessary insertions, omissions and variations as permitted or required hereby.

Section 2.04 Transfer and Exchange of Bonds. Any Bond may, in accordance with its terms, be transferred upon the Registration Books by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to

the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and shall deliver a new Bond or Bonds of the same Series in a like aggregate principal amount, in any Authorized Denomination. The Trustee shall require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of the same Series of other authorized denominations. The Trustee shall require the payment by the Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee shall not be obligated to make any transfer or exchange of Bonds of a Series pursuant to this Section during the period established by the Trustee for the selection of Bonds of such Series for redemption, or with respect to any Bonds of such Series selected for redemption.

Section 2.05 Registration Books. The Trustee will keep or cause to be kept, at the Office of the Trustee, sufficient records for the registration and transfer of ownership of the Bonds, which shall be open to inspection during regular business hours and upon reasonable notice by the City; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such records, the ownership of the Bonds as hereinbefore provided.

Section 2.06 Execution of Bonds. The Bonds shall be executed in the name and on behalf of the Authority with the facsimile signature of an Authorized Officer of the Authority attested by the manual or facsimile signature of the Secretary of the Authority. The Bonds shall then be delivered to the Trustee for authentication by it. In case any of such officers of the Authority who shall have signed or attested any of the Bonds shall cease to be such officers of the Authority before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee, or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though those who signed and attested the same had continued to be such officers of the Authority, and also any Bonds may be signed and attested on behalf of the Authority by such Persons as at the actual date of execution of such Bonds shall be the proper officers of the Authority although at the nominal date of such Bonds any such Person shall not have been such officer of the Authority.

Section 2.07 Authentication of Bonds. Only such of the Bonds as shall bear thereon a certificate of authentication substantially in the form as that set forth in Exhibit A hereto, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of or on behalf of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.08 Temporary Bonds. The Bonds of a Series may be issued in temporary form exchangeable for definitive Bonds of such Series when ready for delivery. Any temporary Bonds may be printed, lithographed or typewritten, shall be of such authorized denominations as may be determined by the Authority, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds of a

Series it will execute and deliver definitive Bonds of such Series as promptly thereafter as practicable, and thereupon the temporary Bonds of such Series may be surrendered, for cancellation, at the Office of the Trustee and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of such Series in Authorized Denominations. Until so exchanged, the temporary Bonds of such Series shall be entitled to the same benefits under this Indenture as definitive Bonds of such Series authenticated and delivered hereunder.

Section 2.09 Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and Series in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and delivered to, or in accordance with the order of, the Authority. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence and indemnity satisfactory to the Trustee shall be given, the Authority, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and Series in lieu of and in replacement for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been selected for redemption, instead of issuing a replacement Bond, the Trustee may pay the same without surrender thereof). The Authority may require payment by the Owner of a sum not exceeding the actual cost of preparing each replacement Bond issued under this Section and of the expenses which may be incurred by the Authority and the Trustee. Any Bond of a Series issued under the provisions of this Section in lieu of any Bond of such Series alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds of such Series secured by this Indenture.

Section 2.10 Book-Entry Bonds.

(a) Prior to the issuance of a Series of Bonds, the Authority may provide that such Series of Bonds shall initially be issued as Book-Entry Bonds and, in such event, the Bonds of such Series for each maturity shall be in the form of a separate single fully registered Bond (which may be typewritten). The Series 2026 Bonds shall initially be issued as Book-Entry Bonds.

Except as provided in subsection (c) of this Section, the registered Owner of all of the Book-Entry Bonds shall be Cede & Co., as nominee of DTC. Notwithstanding anything to the contrary contained in this Indenture, payment of interest with respect to any Book-Entry Bond registered as of each Record Date in the name of Cede & Co. shall be made by wire transfer of same-day funds to the account of Cede & Co. on the Interest Payment Date at the address indicated on the Record Date for Cede & Co. in the Registration Books or as otherwise provided in the Representation Letter.

(b) The Trustee and the Authority may treat DTC (or its nominee) as the sole and exclusive Owner of Book-Entry Bonds registered in its name for the purposes of payment of the principal, premium, if any, or interest with respect to Book-Entry Bonds, selecting Book-Entry Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners of Book-Entry Bonds under this Indenture, registering the transfer of Book-Entry Bonds, obtaining any consent or other action to be taken by Owners of Book-Entry Bonds and for all other purposes whatsoever, and neither the Trustee nor the Authority shall be affected by any notice to the

contrary. Neither the Trustee nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in Book-Entry Bonds under or through DTC or any Participant, or any other person which is not shown on the Registration Books as being an Owner, with respect to the accuracy of any records maintained by DTC or any Participant, the payment by DTC or any Participant of any amount in respect of the principal, premium, if any, or interest with respect to Book-Entry Bonds, any notice which is permitted or required to be given to Owners of Book-Entry Bonds under this Indenture, the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of Book-Entry Bonds, or any consent given or other action taken by DTC as Owner of Book-Entry Bonds. The Trustee shall pay all principal, premium, if any and interest with respect to Book-Entry Bonds, only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal, premium, if any, and interest with respect to the Book-Entry Bonds to the extent of the sum or sums so paid. Except under the conditions of subsection (c) of this Section, no person other than DTC shall receive an executed Book-Entry Bond for each separate stated maturity. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to record dates, the term "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

(c) In the event that: (i) DTC, including any successor as securities depository for a Series of Bonds, determines not to continue to act as securities depository for such Series of Bonds; or (ii) the Authority determines that the incumbent securities depository shall no longer so act, and delivers a written certificate to the Trustee to that effect, then the Authority will discontinue the book-entry system with the incumbent securities depository for such Series of Bonds. If the Authority determines to replace the incumbent securities depository for such Series of Bonds with another qualified securities depository, the Authority shall prepare or direct the preparation of a new single, separate fully registered Bond of such Series for the aggregate outstanding principal amount of Bonds of such Series of each maturity, registered in the name of such successor or substitute qualified securities depository, or its nominee, or make such other arrangement acceptable to the Authority, the Trustee and the successor securities depository for the Bonds of such Series as are not inconsistent with the terms of this Indenture. If the Authority fails to identify another qualified successor securities depository for such Series of Bonds to replace the incumbent securities depository, then the Bonds of such Series shall no longer be restricted to being registered in the Registration Books in the name of the incumbent securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository for such Series of Bonds, or its nominee, shall designate. In such event the Authority shall execute, and deliver to the Trustee, a sufficient quantity of Bonds of such Series to carry out the transfers and exchanges provided in Sections 2.04, 2.08 and 2.09 hereof. All such Bonds of such Series shall be in fully registered form in Authorized Denominations.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as any Book-Entry Bond is registered in the name of DTC, or its nominee, all payments with respect to the principal, premium, if any, and interest with respect to such Book-Entry Bond and all notices with respect to such Book-Entry Bond shall be made and given, respectively, as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Owners of Book-Entry Bonds pursuant to this Indenture by the Authority, the City or the Trustee with respect to any consent or other action to be taken by Owners, the Authority, the City or the

Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

Section 3.01 Issuance of Series 2026 Bonds. The Authority may, at any time, execute the Series 2026 Bonds for issuance hereunder and deliver the same to the Trustee. The Trustee shall authenticate the Series 2026 Bonds and deliver the Series 2026 Bonds to the original purchaser thereof upon receipt of a Written Request of the Authority and upon receipt of the purchase price therefor.

Section 3.02 Application of Proceeds of the Series 2026 Bonds.

(a) On the Closing Date, the proceeds of the sale of the Series 2026C Bonds received by the Trustee, $_____ (being the principal amount of $_____, [plus/less] [net] original issue [premium/discount] of $_____ and less an underwriter's discount of $_____), shall be deposited by the Trustee as follows:

(i) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Fund, and

(ii) The Trustee shall deposit the amount of $_____ to the 2026C Account of the Project Fund.

(b) On the Closing Date, the proceeds of the sale of the Series 2026D Bonds received by the Trustee, $_____ (being the principal amount of $_____, [plus/less] [net] original issue [premium/discount] of $_____ and less an underwriter's discount of $_____), shall be deposited by the Trustee as follows:

(i) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Fund, and

(ii) The Trustee shall deposit the amount of $_____ to the 2026D Account of the Project Fund.

Section 3.03 Costs of Issuance Fund. The Trustee shall establish and maintain a separate fund designated the "Costs of Issuance Fund". On the Closing Date, there shall be deposited in the Costs of Issuance Fund the amounts specified in Section 3.02 hereof. There shall additionally be deposited in the Costs of Issuance Fund the portion, if any, of the proceeds of the sale of any Additional Bonds required to be deposited therein under the Supplemental Indenture pursuant to which such Additional Bonds are issued.

The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance upon submission of a Written Request of the Authority stating: (a) the Person to whom payment is to be made; (b) the amount to be paid, together with payment instructions; (c) the purpose for which the obligation was incurred; (d) that such payment is a proper charge against the Costs of Issuance Fund; and (e) that such amounts have not been the

subject of a prior disbursement from the Costs of Issuance Fund, in each case together with a statement or invoice for each amount requested thereunder. Each such Written Request of the Authority shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date that is six months after the Closing Date, all amounts, if any, remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Fund, and the Costs of Issuance Fund shall be closed.

Section 3.04 Project Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Project Fund." Within the Project Fund, the Trustee shall establish a "2026C Account" and a "2026D Account". On the Closing Date, there shall be deposited in the 2026C Account and the 2026D Account of the Project Fund the amounts specified in Section 3.02 hereof. There shall be additionally deposited in the Project Fund the portion, if any, of the proceeds of the sale of any Additional Bonds required to be deposited therein under the Supplemental Indenture pursuant to which such Additional Bonds are issued.

The moneys in the Project Fund or the accounts therein shall be disbursed by the Trustee on behalf of the City as specified in a Written Request of the City in the form attached hereto as Exhibit B. Each Written Request of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date on which the City determines that amounts in the Project Fund are no longer necessary for payment of the cost of the Project, the City shall submit a Written Request to the Trustee to transfer any remaining balance in the Project Fund not needed for Project Fund purposes, at the City's sole discretion, either (a) to the Base Rental Payment Fund for application in accordance with Section 5.02 hereof, or (b) to the City for use on eligible capital facilities or for any other lawful use of such moneys in compliance with this Indenture and the Tax Certificate, and the Project Fund shall be closed.

Investment earnings on amounts on deposit in the Project Fund shall remain on deposit in the Project Fund (and the accounts therein) for application in accordance with this Section.

Section 3.05 Conditions for the Issuance of Additional Bonds. The Authority may at any time issue one or more Series of Additional Bonds (in addition to the Series 2026 Bonds) payable from Base Rental Payments as provided herein on a parity with all other Bonds theretofore issued hereunder, but only subject to the following conditions, which are hereby made conditions precedent to the issuance of such Additional Bonds:

(a) The issuance of such Additional Bonds shall have been authorized under and pursuant hereto and shall have been provided for by a Supplemental Indenture which shall specify the following:

(1) The application of the proceeds of the sale of such Additional Bonds;

(2) The principal amount and designation of such Series of Additional Bonds and the denomination or denominations of the Additional Bonds;

(3) The date, the maturity date or dates, the interest payment dates and the dates on which mandatory sinking fund redemptions, if any, are to be made for such Additional Bonds; provided, however, that: (i) the serial Bonds of such Series of Additional Bonds shall be payable as to principal annually on March 1 of each year in which principal falls due, and the term

Bonds of such Series of Additional Bonds shall have annual mandatory sinking fund redemptions on March 1; (ii) the Additional Bonds shall be payable as to interest semiannually on March 1 and September 1 of each year, except that the first installment of interest may be payable on either March 1 and September 1 and shall be for a period of not longer than twelve months and the interest shall be payable thereafter semiannually on March 1 and September 1; and (iii) serial maturities of serial Bonds or mandatory sinking fund redemptions for term Bonds, or any combination thereof, shall be established to provide for the redemption or payment of such Additional Bonds on or before their respective maturity dates;

(4) The redemption premiums and terms, if any, for such Additional Bonds;

(5) The form of such Additional Bonds;

(6) Such other provisions that are appropriate or necessary and are not inconsistent with the provisions hereof;

(b) The Authority shall be in compliance with all agreements, conditions, covenants and terms contained herein, in the Lease Agreement and in the Ground Lease required to be observed or performed by it;

(c) The City shall be in compliance with all agreements, conditions, covenants and terms contained herein, in the Lease Agreement and in the Ground Lease required to be observed or performed by it; and

(d) The Ground Lease and the Lease Agreement shall have been amended, to the extent necessary, (i) so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal of and interest on such Additional Bonds, payable at such times and in such manner as may be necessary to provide for the payment of the principal of and interest on such Additional Bonds; provided, however, that no such amendment shall be made such that the sum of Base Rental Payments, including any increase in the Base Rental Payments as a result of such amendment, plus Additional Rental Payments, in any Rental Period shall be in excess of the annual fair rental value of the Property after taking into account the use of the proceeds of any Additional Bonds issued in connection therewith (evidence of the satisfaction of such condition shall be made by a Written Certificate of the City); and (ii) to include provisions for the prepayment of Base Rental Payments attributable to such Additional Bonds.

Nothing contained herein shall limit the issuance of any bonds or other obligations payable from Base Rental Payments if, after the issuance and delivery of such bonds or other obligations, none of the Bonds theretofore issued hereunder will be Outstanding.

Section 3.06 Procedure for the Issuance of Additional Bonds. At any time after the sale of any Additional Bonds in accordance with the Act, such Additional Bonds shall be executed by the Authority for issuance hereunder and shall be delivered to the Trustee and thereupon shall be authenticated and delivered by the Trustee, but only upon receipt by the Trustee of the following:

(a) Certified copies of the Supplemental Indenture authorizing the issuance of such Additional Bonds, the amendment to the Lease Agreement required by Section 3.05 hereof and the amendment to the Ground Lease, if any, required by Section 3.05 hereof, together with

satisfactory evidence that such amendment to the Lease Agreement and such amendment to the Ground Lease, if any, have been duly recorded;

(b) A Written Request of the Authority as to the delivery of such Additional Bonds;

(c) An opinion of Bond Counsel substantially to the effect that: (i) the Indenture (including all Supplemental Indentures), the Lease Agreement (including the amendment thereto required by Section 3.05 hereof) and the Ground Lease (including any amendment thereto required by Section 3.05 hereof) have been duly authorized, executed and delivered by, and constitute the valid and binding obligations of, the Authority and the City, enforceable in accordance with their terms (except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and by the application of equitable principles and by the exercise of judicial discretion in appropriate cases and subject to the limitations on legal remedies against political subdivisions in the State of California); and (ii) such Additional Bonds constitute valid and binding special obligations of the Authority payable solely from Base Rental Payments as provided herein and are enforceable in accordance with their terms (except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and by the application of equitable principles and by the exercise of judicial discretion in appropriate cases and subject to the limitations on legal remedies against political subdivisions in the State of California);

(d) a Written Certificate of the Authority that the requirements of Section 3.05 hereof have been met;

(e) a Written Certificate of the City that the requirements of Section 3.05 hereof and Sections 5.01 and 5.02 of the Lease Agreement have been met, and a Written Certificate of the City that the annual fair rental value of the Property is at least equal to the total Base Rental Payments, after giving effect to the issuance of the Additional Bonds, and to the use of proceeds received therefrom, including any capitalized interest; and

(f) Such further documents as are required by the provisions hereof or by the provisions of the Supplemental Indenture authorizing the issuance of such Additional Bonds.

Section 3.07 Additional Bonds. So long as any of the Bonds remain Outstanding, the Authority shall not issue any Additional Bonds or obligations payable from the Base Rental Payments, except pursuant to Sections 3.05 and 3.06 hereof.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01 Redemption of Series 2026 Bonds.

(a) Extraordinary Redemption. The Series 2026 Bonds shall be subject to redemption, in whole or in part, on any date as directed by the City in a written request provided to the Trustee not less than 30 days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to such date, in Authorized Denominations, from and to the extent of any Net Insurance Proceeds or proceeds of condemnation received with respect to all or a portion of

the Property, deposited by the Trustee in the Redemption Fund pursuant to Sections 5.03 and 5.04 hereof, at a Redemption Price equal to the principal amount of the Series 2026 Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

(b) Optional Redemption. The Series 2026C Bonds maturing on or after March 1, 20__, shall be subject to optional redemption, in whole or in part, on March 1, 20__ or any date thereafter, as directed by the City in a written request provided to the Trustee not less than 30 days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to such date, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to subsection (a) of Section 7.02 of the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2026C Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

The Series 2026D Bonds maturing on or after March 1, 20__, shall be subject to optional redemption, in whole or in part, on March 1, 20__ or any date thereafter, as directed by the City in a written request provided to the Trustee not less than 30 days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to such date, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to subsection (a) of Section 7.02 of the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2026D Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

(c) Mandatory Sinking Fund Redemption.

(i) The Series 2026C Bonds with stated maturities on March 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each March 1 on and after March 1, 20__, in integral multiples of $5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (March 1)	***Principal Amount***

* Final Maturity.

The Series 2026D Bonds with stated maturities on March 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each March 1 on and after March 1, 20__, in integral multiples of $5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (March 1)	*Principal Amount*

* Final Maturity.

If, during the Fiscal Year immediately preceding one of the redemption dates specified above, the Authority purchases Series 2026 Bonds, at least 45 days prior to the redemption date, the Authority shall notify the Trustee as to the principal amount purchased and the amount of Series 2026 Bonds so purchased shall be credited at the time of purchase, to the extent of the full principal amount thereof, to reduce such upcoming mandatory sinking fund redemption payment for the Series 2026 Bonds so purchased. All Series 2026 Bonds purchased pursuant to this subsection shall be cancelled pursuant to Section 11.09.

In the event of a redemption pursuant to Section 4.01(a) or (b) or in the event of the purchase of Series 2026 Bonds, the City shall provide the Trustee with a revised mandatory sinking fund schedule giving effect to the redemption so completed.

Section 4.02 Notice of Redemption. The Trustee on behalf and at the expense of the Authority shall mail (by first class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, to the Securities Depositories and to one or more Information Services, at least 20 but not more than 60 days prior to the date fixed for redemption. Such notice shall state the date of the notice, the redemption date, the redemption place and the Redemption Price and shall designate the CUSIP numbers, the Bond numbers and the maturity or maturities (except in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Office of the Trustee for redemption at the Redemption Price, giving notice also that further interest on such Bonds will not accrue from and after the date fixed for redemption. Such notice may state that such redemption is conditioned upon sufficient funds being on deposit on the redemption date to redeem the Bonds so called for redemption. Such notice of redemption may also state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Bonds. Neither the failure to receive any notice so given, nor any defect in such notice, shall affect the validity of the proceedings for the redemption of the Bonds or the cessation of accrual of interest thereon from and after the date fixed for redemption.

With respect to any notice of optional redemption of the Bonds, such notice may state that such redemption shall be conditional upon the receipt by the Trustee, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of, premium if any, and interest on the Bonds to be redeemed and upon other conditions set forth therein and that, if such money shall not have been so received or such other conditions shall not have been satisfied, said notice shall be of no force and effect and the Trustee shall not be required to redeem such Bonds. If any condition stated in the redemption notice for an optional redemption shall not have been satisfied on or prior to the redemption date: (i) the redemption notice shall be of no force and effect, (ii) the Authority shall not be required to redeem such Bonds, (iii) the redemption shall not be made, and (iv) the Trustee shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional

redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

Section 4.03 Selection of Bonds for Redemption. Whenever provision is made in this Indenture for the redemption of less than all of the Bonds, the Trustee shall select the Bonds to be redeemed from all Bonds not previously called for redemption: (a) with respect to any optional redemption of Bonds of a Series, among maturities of Bonds of such Series as directed in a Written Request of the Authority; (b) with respect to any redemption pursuant to Section 4.01(a) hereof and the corresponding provision of any Supplemental Indenture pursuant to which Additional Bonds are issued, among maturities of all Series of Bonds on a pro rata basis as nearly as practicable; and (c) with respect to any other redemption of Additional Bonds, among maturities as provided in the Supplemental Indenture pursuant to which such Additional Bonds are issued, and by lot among Bonds of the same Series with the same maturity in any manner which the Trustee in its sole discretion shall deem appropriate and fair. For purposes of such selection, all Bonds shall be deemed to be comprised of separate $5,000 denominations and such separate denominations shall be treated as separate Bonds which may be separately redeemed.

Section 4.04 Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same Series in authorized denominations equal in aggregate principal amount representing the unredeemed portion of the Bonds surrendered.

Section 4.05 Effect of Notice of Redemption. Notice having been given as aforesaid, and moneys for the Redemption Price, and the interest to the applicable date fixed for redemption, having been set aside in the Redemption Fund, the Bonds shall become due and payable on said date, and, upon presentation and surrender thereof at the Office of the Trustee, said Bonds shall be paid at the Redemption Price thereof, together with interest accrued and unpaid to said date.

If, on said date fixed for redemption, moneys for the Redemption Price of all the Bonds to be redeemed, together with interest to said date, shall be held by the Trustee so as to be available therefor on such date, and, if notice of redemption thereof shall have been given as aforesaid and not canceled, then, from and after said date, interest on said Bonds shall cease to accrue and become payable. All moneys held by or on behalf of the Trustee for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed without liability to such Owners for interest thereon.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions hereof shall be canceled upon surrender thereof and destroyed.

ARTICLE V

SECURITY FOR BONDS; FLOW OF FUNDS; INVESTMENTS

Section 5.01 Pledge; Special Obligations. Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Base Rental Payments and any other amounts (including proceeds of the sale of the Bonds) held in the Base Rental Payment Fund, the Interest Fund, the Principal Fund and the Redemption Fund are hereby pledged to secure the payment of the principal of, premium, if any, and interest on

the Bonds in accordance with their terms, the provisions of this Indenture and the Act. Said pledge shall constitute a first lien on such assets.

All obligations of the Authority under this Indenture shall be special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged therefor hereunder; provided, however, that all obligations of the Authority under the Bonds shall be special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged therefor hereunder. Neither the faith and credit nor the taxing power of the Authority, the City or the State of California, or any political subdivision thereof, is pledged to the payment of the Bonds. The Authority has no taxing power.

Section 5.02 Flow of Funds.

(a) The Trustee shall establish and maintain separate funds designated the "Base Rental Payment Fund," the "Interest Fund," the "Principal Fund," the "Redemption Fund" (and within the Redemption Fund a "2026C Account" and a "2026D Account"), and the "Net Insurance Proceeds Fund."

All Base Rental Payments shall be paid directly by the City to the Trustee, and if received by the Authority at any time shall be transferred by the Authority with the Trustee within one Business Day after the receipt thereof. All Base Rental Payments received by the Trustee shall be deposited by the Trustee in the Base Rental Payment Fund.

(b) The Trustee shall transfer the amounts on deposit in the Base Rental Payment Fund, at the times and in the manner hereinafter provided, to the following respective funds:

(i) Interest Fund. On the Business Day immediately preceding each Interest Payment Date, the Trustee shall transfer from the Base Rental Payment Fund to the Interest Fund the amount, if any, necessary to cause the amount on deposit in the Interest Fund to be equal to the interest due on the Bonds on such Interest Payment Date.

(ii) Principal Fund. On the Business Day immediately preceding each March 1, commencing March 1, 2027, the Trustee shall transfer from the Base Rental Payment Fund to the Principal Fund the amount, if any, necessary to cause the amount on deposit in the Principal Fund to be equal to the principal amount of the Bonds due on such March 1 either as a result of the maturity thereof or mandatory sinking fund redemption payments required to be made with respect thereto. Moneys in the Principal Fund shall be used by the Trustee for the purpose of paying the principal of the Bonds when due and payable at their maturity dates or upon earlier mandatory sinking fund redemption.

(iii) Redemption Fund. The Trustee, on the redemption date specified in the Written Request of the City filed with the Trustee at the time that any prepaid Base Rental Payment is paid to the Trustee pursuant to the Lease Agreement, shall deposit in the Redemption Fund that amount of moneys representing the portion of the Base Rental Payments designated as prepaid Base Rental Payments. Additionally, the Trustee shall deposit in the Redemption Fund any amounts required to be deposited therein pursuant to Sections 5.03 or 5.04 hereof. Moneys in the Redemption Fund shall be used by the Trustee for the purpose of paying the principal of and interest and premium, if any, on Series 2026 Bonds redeemed pursuant to the provisions of subsections (a) and (b) of Section 4.01 hereof and Additional Bonds redeemed pursuant to the corresponding

provisions of the Supplemental Indenture pursuant to which such Additional Bonds are issued; provided, however, that moneys deposited in the Redemption Fund may also be used to purchase Outstanding Series 2026 Bonds or Additional Bonds in the manner hereinafter provided. Purchases of Outstanding Series 2026 Bonds or Additional Bonds may be made by the Authority at public or private sale as and when and at such prices as the Authority may in its discretion determine, but only at prices (including brokerage or other expenses) not more than par plus accrued interest, plus, in the case of moneys set aside for an optional redemption or an extraordinary redemption, the premium applicable at the next following call date according to the premium schedule established pursuant to Sections 4.01(a) or (b), as applicable, or in the case of Additional Bonds the premium established in any Supplemental Indenture. Any accrued interest payable upon the purchase of Series 2026 Bonds or Additional Bonds may be paid from the amount reserved in the Interest Fund.

Section 5.03 Application of Net Insurance Proceeds. If the Property or any portion thereof shall be damaged or destroyed, subject to the further requirements of this Section, the City shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair or replacement thereof, unless the City elects not to repair or replace the Property or the affected portion thereof in accordance with the provisions hereof.

The Net Insurance Proceeds (other than Net Insurance Proceeds of rental interruption insurance), including the proceeds of any self-insurance, received on account of any damage or destruction of the Property or a portion thereof shall as soon as possible be deposited with the Trustee and be held by the Trustee in the Net Insurance Proceeds Fund and made available for and, to the extent necessary, shall be applied to the cost of repair or replacement of the Property or the affected portion thereof upon receipt of a Written Request of the City, together with invoices therefor. Each such Written Request of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. Pending such application, such proceeds may be invested by the Trustee as directed by the City in Permitted Investments that mature not later than such times moneys are expected to be needed to pay such costs of repair or replacement.

Notwithstanding the foregoing, the City shall, within 60 days of the occurrence of the event of damage or destruction, notify the Trustee in writing as to whether the City intends to replace or repair the Property or the portions of the Property which were damaged or destroyed. If the City does intend to replace or repair the Property or portions thereof, the City shall deposit with the Trustee the full amount of any insurance deductible to be credited to the Net Insurance Proceeds Fund.

In the event of any damage to or destruction of the Property caused by one of the perils covered by the insurance required by Section 5.01(c) of the Lease Agreement which would result in an abatement of rental payments or any portion thereof pursuant to Section 3.06 thereof, then the City shall apply the Net Insurance Proceeds, together with other legally available funds that the City elects to contribute, to the repair, reconstruction or replacement of the damaged or destroyed portions of the Property; provided, however, that the City shall not be required to repair or replace any portion of the Property pursuant to this Section 5.03 if such Net Insurance Proceeds, together with any other amounts held under this Indenture and any other legally available funds made available by the City at its election, are sufficient to prepay: (i) all of the Outstanding Bonds; or (ii) a portion of the Outstanding Bonds such that the resulting Base Rental Payments under Section 4.01(a) in any Rental Period following such partial prepayment are sufficient to pay in such Rental Period the principal of and interest on all Bonds to remain Outstanding immediately after such partial redemption. If the

City is not required to replace or repair the Property, or the affected portion thereof, or to use such amounts to redeem Bonds, in each case as set forth in this Section 5.03, then such proceeds shall, if there is first delivered to the Trustee a Written Certificate of the City to the effect that the annual fair rental value of the Property after such damage or destruction, and after any repairs or replacements made as a result of such damage or destruction, is at least equal to 100% of the maximum amount of Base Rental Payments becoming due under the Lease Agreement in the then current Rental Period or any subsequent Rental Period and the fair replacement value of the Property after such damage or destruction is at least equal to the principal amount of the Outstanding Bonds, be paid to the City to be used for any lawful purpose.

The proceeds of any award in eminent domain received in respect to the Property shall be deposited by the Trustee in the Redemption Fund and applied to the redemption of Bonds pursuant to subsection (a) of Section 4.01 hereof and the corresponding provisions of any Supplemental Indenture pursuant to which Additional Bonds are issued.

Section 5.04 Title Insurance. Proceeds of any policy of title insurance received by the Trustee in respect of the Property shall be applied and disbursed by the Trustee as follows:

(a) if the City determines that the title defect giving rise to such proceeds has not substantially interfered with its use and occupancy of the Property and will not result in an abatement of Rental Payments payable by the City under the Lease Agreement, such proceeds shall be remitted to the City upon written direction from the City and used for any lawful purpose thereof; or

(b) if the City determines that the title defect giving rise to such proceeds has substantially interfered with its use and occupancy of the Property and will result in an abatement of Rental Payments payable by the City under the Lease Agreement, then the Trustee shall immediately deposit such proceeds in the Redemption Fund and such proceeds shall be applied to the redemption of Bonds in the manner provided in subsection (a) of Section 4.01 hereof and the corresponding provisions of any Supplemental Indenture pursuant to which Additional Bonds are issued, as directed in writing by the City.

Section 5.05 Rebate Fund.

(a) Establishment. The Trustee shall establish a fund for the Series 2026D Bonds designated the "Rebate Fund" when required in accordance herewith. Absent an Opinion of Counsel that the exclusion from gross income for federal income tax purposes of interest on the Series 2026D Bonds will not be adversely affected, the Authority shall cause to be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to this Section and the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust for payment to the United States Treasury. All amounts on deposit in the Rebate Fund for the Series 2026D Bonds shall be governed by this Section and the Tax Certificate, unless and to the extent that the Authority delivers to the Trustee an opinion of Bond Counsel that the exclusion from gross income for federal income tax purposes of interest on the Series 2026D Bonds will not be adversely affected if such requirements are not satisfied. Notwithstanding anything to the contrary contained herein or in the Tax Certificate, the Trustee: (1) shall be deemed conclusively to have complied with the provisions thereof if it follows all Written Requests of the Authority or Written Requests of the City; (2) shall have no liability or responsibility to enforce compliance by the Authority or the City with the terms of the Tax Certificate and shall not be deemed to have knowledge of the terms thereof; (3) may rely conclusively on the Authority's or the City's calculations and determinations and

certifications relating to rebate matters; and (4) shall have no responsibility to independently make any calculations or determinations or to review the Authority's or the City's calculations or determinations thereunder.

(i) Computation. Within 55 days of the end of every fifth Bond Year (as such term is defined in the Tax Certificate), the Authority shall calculate or cause to be calculated the amount of rebatable arbitrage, in accordance with Section 148(f)(2) of the Code and Section 1.148-3 of the Treasury Regulations (taking into account any applicable exceptions with respect to the computation of the rebatable arbitrage, described, if applicable, in the Tax Certificate (*e.g.*, the temporary investments exceptions of Section 148(f)(4)(B) and the construction expenditures exception of Section 148(f)(4)(C) of the Code), and taking into account whether the election pursuant to Section 148(f)(4)(C)(vii) of the Code (the "**1½% Penalty**") has been made), for this purpose treating the last day of the applicable Bond Year as a computation date, within the meaning of Section 1.148-1(b) of the Treasury Regulations (the "**Rebatable Arbitrage**"). The Authority shall obtain expert advice as to the amount of the Rebatable Arbitrage to comply with this Section.

(ii) Transfer. Within 55 days of the end of every fifth Bond Year, upon the Written Request of the Authority or Written Request of the City, an amount shall be deposited to the Rebate Fund by the Trustee from any Rental Payments legally available for such purpose (as specified by the Authority or the City in the aforesaid Written Request), if and to the extent required so that the balance in the Rebate Fund shall equal the amount of Rebatable Arbitrage so calculated in accordance with clause (i) of this subsection (a). In the event that immediately following the transfer required by the previous sentence, the amount then on deposit to the credit of the Rebate Fund exceeds the amount required to be on deposit therein, upon Written Request of the Authority or Written Request of the City, the Trustee shall withdraw the excess from the Rebate Fund and then credit the excess to the Base Rental Payment Fund.

(iii) Payment to the Treasury. The Trustee shall pay, as directed by Written Request of the Authority, to the United States Treasury, out of amounts in the Rebate Fund:

(1) Not later than 60 days after the end of: (X) the fifth Bond Year; and (Y) each applicable fifth Bond Year thereafter, an amount equal to at least 90% of the Rebatable Arbitrage calculated as of the end of such Bond Year; and

(2) Not later than 60 days after the payment of all of the Series 2026D Bonds, an amount equal to 100% of the Rebatable Arbitrage calculated as of the end of such applicable Bond Year, and any income attributable to the Rebatable Arbitrage, computed in accordance with Section 148(f) of the Code and Section 1.148-3 of the Treasury Regulations.

In the event that, prior to the time of any payment required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the Authority shall calculate or cause to be calculated the amount of such deficiency and deposit an amount received from any legally available source equal to such deficiency prior to the time such payment is due. Each payment required to be made pursuant to this subsection (a) shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T (prepared by the Authority), or shall be made in such other manner as provided under the Code.

(b) Disposition of Unexpended Funds. Any funds remaining in the Rebate Fund after redemption and payment of the Series 2026D Bonds and the payments described in subsection (a) above being made may be withdrawn by the Authority and utilized in any manner by the Authority.

(c) Survival of Defeasance. Notwithstanding anything in this Section to the contrary, the obligation to comply with the requirements of this Section shall survive the defeasance or payment in full of the Series 2026D Bonds.

Section 5.06 Investment of Moneys. Except as otherwise provided herein, all moneys in any of the funds or accounts established pursuant to this Indenture and held by the Trustee shall be invested by the Trustee solely in Permitted Investments, as directed in writing by the Authority. Moneys in all funds and accounts held by the Trustee shall be invested in Permitted Investments maturing not later than the date on which it is estimated that such moneys will be required for the purposes specified in this Indenture; provided, however, that such Permitted Investments may be redeemed at par so as to be available on each Interest Payment Date. Absent timely written direction from the Authority, the Trustee shall hold any funds held by it uninvested.

Subject to the provisions of Section 5.06 hereof, all interest, profits and other income received from the investment of moneys in any fund or account established pursuant to this Indenture shall be retained in such fund or account.

Permitted Investments acquired as an investment of moneys in any fund established under this Indenture shall be credited to such fund. For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued by the Trustee at the fair market value thereof, such valuation to be performed not less frequently than semiannually on or before each Interest Payment Date. In determining fair market value, the Trustee may use and rely conclusively on any generally recognized securities pricing service available to it (including brokers and dealers in securities).

The Trustee may act as principal or agent in the making or disposing of any investment. Upon the Written Request of the Authority, the Trustee shall sell or present for redemption any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investments is credited, and the Trustee shall not be liable or responsible for any loss resulting from any investment made or sold pursuant to this Section. For purposes of investment, the Trustee may commingle moneys in any of the funds and accounts established hereunder.

The Trustee may make any investments hereunder through the bond or investment department or trust investment department of the entity acting as Trustee hereunder, or those of such entity's parent or any affiliate, and such entity, or its parent or affiliate, as applicable, shall be entitled to its normal, customary and reasonable compensation for such services.

The entity acting as Trustee hereunder, or any of its affiliates, may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder and such entity, or its affiliate, as applicable, shall be entitled to its normal, customary and reasonable compensation for such services.

The Authority and the City acknowledge that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority and the City the right to receive brokerage confirmations of security transactions as they occur, at no additional cost, the Authority and the City specifically waive receipt of such confirmations to the extent permitted by law.

ARTICLE VI

COVENANTS

Section 6.01 Compliance with Agreements. The Trustee will not authenticate or deliver any Bonds in any manner other than in accordance with the provisions hereof, and the Authority and the City will not suffer or permit any default by them to occur hereunder, but will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms hereof required to be complied with, kept, observed and performed by them.

Section 6.02 Compliance with Ground Lease and Lease Agreement. The Authority and the City will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms contained in the Ground Lease and the Lease Agreement required to be complied with, kept, observed and performed by them and, together with the Trustee, will enforce the Ground Lease and the Lease Agreement against the other party thereto in accordance with their respective terms.

Section 6.03 Observance of Laws and Regulations. The Authority, the City and the Trustee will faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not become abandoned, forfeited or in any manner impaired.

Section 6.04 Other Liens. The City will keep the Property and all parts thereof free from judgments and materialmen's and mechanics' liens and free from all claims, demands, encumbrances and other liens of whatever nature or character, and free from any claim or liability which materially impairs the City in conducting its business or utilizing the Property, and the Trustee at its option (after first giving the City ten days' written notice to comply therewith and failure of the City to so comply within such ten-day period) may, but is in no event obligated to, defend against any and all actions or proceedings, or may pay or compromise any claim or demand asserted in any such actions or proceedings; provided, however, that, in defending against any such actions or proceedings or in paying or compromising any such claims or demands, the Trustee shall not in any event be deemed to have waived or released the City from liability for or on account of any of its agreements and covenants contained herein, or from its liability hereunder and to perform such agreements and covenants.

So long as any Bonds are Outstanding, none of the Trustee, the Authority or the City shall create or suffer to be created any pledge of or lien on the amounts on deposit in any of the funds or accounts created hereunder, other than the pledge and lien hereof.

The Authority, the City and the Trustee shall not encumber the Property other than in accordance with the Ground Lease, the Lease Agreement, the Indenture and the Assignment Agreement.

Section 6.05 Prosecution and Defense of Suits. The City will promptly, upon request of the Trustee (which request the Trustee is not required to make), take such action from time to time as may be necessary or proper to remedy or cure any cloud upon or defect in the title to the Property or any part thereof, whether now existing or hereafter developing, will prosecute all actions, suits or other proceedings as may be appropriate for such purpose and will indemnify and save the Trustee harmless from all cost, damage, expense or loss, including attorneys' fees and expenses, which it or the Owners may incur by reason of any such cloud, defect, action, suit or other proceeding.

Section 6.06 Accounting Records and Statements. The Trustee will keep proper accounting records in which complete and correct entries shall be made of all transactions relating to the receipt, deposit and disbursement of the Base Rental Payments, and such accounting records shall be available for inspection by the Authority and the City at reasonable hours and under reasonable conditions.

Section 6.07 Recordation and Filing. The City will record, or cause to be recorded, with the appropriate county recorder, the Lease Agreement, the Ground Lease and the Assignment Agreement, or memoranda thereof.

Section 6.08 Tax Covenants.

(a) Neither the Authority nor the City will take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest on any tax-exempt Series 2026D Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the Authority and the City will comply with the requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein, this covenant shall survive payment in full or defeasance of the Series 2026D Bonds.

(b) In the event that at any time the Authority is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Trustee in any of the funds or accounts established hereunder, the Authority shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the Authority shall provide to the Trustee an Opinion of Counsel to the effect that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Series 2026D Bonds, the Trustee may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 6.09 Continuing Disclosure. The City will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the City to comply with the Continuing Disclosure Certificate shall not constitute an event of default hereunder; provided, however, that the Trustee may (and, at the written direction of any Participating Underwriter or the holders of at least 25% of the aggregate principal

amount of Outstanding Bonds, and upon being indemnified to its reasonable satisfaction therefor, shall) or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 6.10 Further Assurances. Whenever and so often as requested to do so by the Trustee, the Authority and the City will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee all advantages, benefits, interests, powers, privileges and rights conferred or intended to be conferred upon it hereby or by the Assignment Agreement, the Ground Lease or the Lease Agreement, and to preserve the priority of the pledge of the Rental Payments under applicable law.

ARTICLE VII

DEFAULT AND LIMITATIONS OF LIABILITY

Section 7.01 Action on Default. If an event of default (within the meaning of Article VI of the Lease Agreement) shall happen, then such event of default shall constitute an event of default hereunder. The Trustee shall give notice, as assignee of the Authority, of an event of default under the Lease Agreement to the City. In each and every case during the continuance of an event of default, the Trustee may and, at the direction of the Owners of not less than a majority of the aggregate principal amount of Bonds then Outstanding, and upon being indemnified to its reasonable satisfaction therefor, shall, upon notice in writing to the City and the Authority, exercise any of the remedies granted to the Authority under the Lease Agreement and, in addition, take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by this Indenture or by the Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 7.02 hereof.

Section 7.02 Other Remedies of the Trustee. Subject to the provisions of Section 7.01 hereof, the Trustee shall have the right:

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the Authority or the City or any member, director, officer or employee thereof, and to compel the Authority or the City or any such member, director, officer or employee to perform or carry out its or his or her duties under law and the agreements and covenants required to be performed by it or him or her contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee; or

(c) by suit in equity upon the happening of any event of default hereunder to require the Authority and the City to account as the trustee of an express trust.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

Notwithstanding any provision of this Indenture to the contrary, no event of default hereunder or under the Lease Agreement by the Authority or the City shall result in the acceleration of debt service on the Bonds hereunder.

Section 7.03 Non-Waiver. A waiver of any default or breach of duty or contract by the Trustee shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee by law or by this Article may be enforced and exercised from time to time and as often the Trustee shall deem expedient.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee or any Owner, then subject to any adverse determination, the Trustee, such Owner, the Authority and the City shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 7.04 Remedies Not Exclusive. Subject to the provisions of Section 7.01 hereof, no remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any law. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 7.05 No Liability by the Authority to the Owners. Except as expressly provided herein, the Authority shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of the other agreements and covenants required to be performed by it contained in the Lease Agreement or herein, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

Section 7.06 No Liability by the City to the Owners. Except for the payment when due of the Base Rental Payments and the performance of the other agreements and covenants required to be performed by it contained in the Lease Agreement, the Ground Lease or herein, the City shall not have any obligation or liability to the Owners with respect to the Indenture or the preparation, execution, delivery or transfer of the Bonds or the disbursement of the Base Rental Payments by the Trustee to the Owners, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

Section 7.07 No Liability of the Trustee to the Owners. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by

the Authority or the City of the other agreements and covenants required to be performed by them contained in the Lease Agreement, the Ground Lease or herein.

Section 7.08 Application of Amounts After Default. All payments received by the Trustee with respect to the rental of the Property after a default by the City pursuant to Article VI of the Lease Agreement (including, without limitation, any proceeds received in connection with the sale, assignment or sublease of the Authority's right, title and interest in the Ground Lease), and all damages or other payments received by the Trustee for the enforcement of any rights and powers of the Trustee under Article VI of the Lease Agreement, shall be deposited into the Base Rental Payment Fund and as soon as practicable thereafter applied, together with all other funds held hereunder (except funds in the Rebate Fund):

(a) to the payment of all amounts due the Trustee under Article VIII hereof;

(b) to the payment of all amounts then due for interest on the Bonds, in respect of which, or for the benefit of which, money has been collected (other than Bonds which have become payable prior to such event of default and money for the payment of which is held by the Trustee), ratably without preference or priority of any kind, according to the amounts of interest on such Bonds due and payable; and

(c) to the payment of all amounts then due for principal of the Bonds, in respect of which, or for the benefit of which, money has been collected (other than Bonds which have become payable prior to such event of default and money for the payment of which is held by the Trustee), ratably without preference or priority of any kind, according to the amounts of principal of such Bonds due and payable.

Section 7.09 Trustee May Enforce Claims Without Possession of Bonds. All rights of action and claims under this Indenture or the Bonds may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Owners in respect of which such judgment has been recovered.

Section 7.10 Limitation on Suits. No Owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or Trustee, or for any other remedy hereunder, unless: (a) such Owner shall have previously given written notice to the Trustee of a continuing event of default; (b) the Owners of not less than 25% of the aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee to institute proceedings in respect of such event of default in its own name as Trustee hereunder; (c) such Owner or Owners shall have afforded to the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such proceedings; and (e) no direction inconsistent with such written request shall have been given to the Trustee during such 60 day period by the Owners of a majority of the aggregate principal amount of Bonds then Outstanding; it being understood and intended that no one or more Owners shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other

Owner, or to obtain or seek to obtain priority or preference over any other Owner or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all the Owners.

ARTICLE VIII

THE TRUSTEE

Section 8.01 Employment of the Trustee. The Authority hereby appoints and employs the Trustee to receive, deposit and disburse the Base Rental Payments, to authenticate, deliver and transfer the Bonds and to perform the other functions contained herein, all in the manner provided herein and subject to the conditions and terms hereof. By executing and delivering this Indenture, the Trustee accepts the appointment and employment hereinabove referred to and accepts the rights and obligations of the Trustee provided herein, subject to the conditions and terms hereof. Other than when an event of default has occurred and is continuing, the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee. In case an event of default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. The Trustee hereby covenants and agrees that it will not encumber the Property.

Section 8.02 Duties, Removal and Resignation of the Trustee. The Authority may, by an instrument in writing, remove the Trustee initially a party hereto and any successor thereto unless an event of default shall have occurred and then be continuing, and shall remove the Trustee initially a party hereto and any successor thereto if at any time: (a) requested to do so by an instrument or concurrent instruments in writing signed by the Owners of a majority of the aggregate principal amount of Bonds at the time Outstanding (or their attorneys duly authorized in writing); or (b) the Trustee shall cease to be eligible in accordance with the following sentence, and shall appoint a successor Trustee. The Trustee and any successor Trustee shall be a banking corporation or association or trust company having (or if such banking corporation or association or trust company is a member of a bank holding company, its bank holding company has) a combined capital (exclusive of borrowed capital) and surplus of at least $[50,000,000] and subject to supervision or examination by federal or state authorities. If such banking corporation or association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank, association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee may at any time resign by giving written notice of such resignation to the Authority and the City and by giving notice, by first class mail, postage prepaid, of such resignation to the Owners at their addresses appearing on the Registration Books. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing; provided, however, that in the event the Authority does not appoint a successor Trustee within 30 days following receipt of such notice of resignation, the resigning Trustee may, at the expense of the Authority, petition the appropriate court having jurisdiction to appoint a successor Trustee. Any resignation or removal of a Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee.

Any corporation, association or agency into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, provided that such entity meets the combined capital and surplus requirements of this Section, ipso facto, shall be and become successor trustee under this Indenture and vested with all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.03 Compensation of the Trustee. The City shall from time to time, subject to any written agreement then in effect with the Trustee, pay the Trustee reasonable compensation for all its services rendered hereunder and reimburse the Trustee for all its reasonable advances and expenditures (which shall not include "overhead expenses" except as such expenses are included as a component of the Trustee's stated annual fees) hereunder, including but not limited to advances to and reasonable fees and reasonable expenses of accountants, agents, appraisers, consultants or other experts, and counsel not directly employed by the Trustee but an attorney or firm of attorneys retained by the Trustee, employed by it in the exercise and performance of its rights and obligations hereunder. The Trustee may take whatever legal actions are lawfully available to it directly against the Authority or the City.

The City shall, to the extent permitted by law, indemnify and save the Trustee harmless against any liabilities, costs, claims or expenses, including those of its attorneys, which it may incur in the exercise and performance of its powers and duties hereunder, under the Lease Agreement, or in connection with any document or transaction contemplated hereunder or thereunder, including the enforcement of any remedies and the defense of any suit, and which are not due to its negligence or its misconduct. The duty of the City to indemnify the Trustee shall survive the termination and discharge of this Indenture and the earlier removal or resignation of the Trustee.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers hereunder.

Upon an Event of Default, and only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the trust estate for the foregoing fees, charges and expenses incurred by it. When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 8.04 Protection of the Trustee. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any affidavit, bond, certificate, consent, notice, request, requisition, resolution, statement, telegram, voucher, waiver or other paper or document which it shall in good faith believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee shall be under no obligation to exercise any of the rights or powers

vested in it by this Indenture at the request or direction of any of the Owners of the Bonds pursuant to this Indenture, unless such Owners shall have offered to the Trustee security or indemnity, reasonably satisfactory to the Trustee, against the reasonable costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. The Trustee may consult with counsel, who may be counsel to the Authority or the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect to any action taken or suffered by it hereunder in good faith in accordance therewith.

The Trustee shall not be responsible for the sufficiency of the Bonds or the Lease Agreement, or of the assignment made to it by the Assignment Agreement, or for statements made in any preliminary or final official statement relating to the Bonds, or of the title to the Property.

Whenever in the administration of its rights and obligations hereunder the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the City or a Written Certificate of the Authority, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it deems reasonable.

The Trustee may buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Owner may be entitled to take with like effect as if the Trustee were not a party hereto. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Authority or the City, and may act as agent, depository or trustee for any committee or body of Owners or of owners of obligations of the Authority or the City as freely as if it were not the Trustee hereunder.

The Trustee may, to the extent reasonably necessary, execute any of the trusts or powers hereof and perform any rights and obligations required of it hereunder by or through agents, attorneys or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its rights and obligations hereunder, and the Trustee shall not be answerable for the negligence or misconduct of any such agent, attorney or receiver selected by it with reasonable care. The Trustee shall not be liable for any error of judgment made by it in good faith unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

The Trustee shall not be answerable for the exercise of any trusts or powers hereunder or for anything whatsoever in connection with the funds established hereunder, except only for its own willful misconduct, negligence or breach of an obligation hereunder.

The Trustee shall not be deemed to have knowledge of an event of default unless it has actual knowledge thereof.

The Trustee may, on behalf of the Owners, intervene in any judicial proceeding to which the Authority or the City is a party and which, in the opinion of the Trustee and its counsel, affects the Bonds or the security therefor, and shall do so if requested in writing by the Owners of at least 5% of the aggregate principal amount of Bonds then Outstanding, provided that the Trustee shall have no duty to take such action unless it has been indemnified to its reasonable satisfaction against all risk or liability arising from such action.

The Trustee's rights to immunities and protection from liability hereunder and its rights to payment of its fees and expenses shall survive its resignation or removal and final payment or defeasance of the Bonds.

All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees and agents of the Trustee.

The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful default. The Trustee shall have no responsibility or liability with respect to any information, statements or recitals in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds. The Trustee shall not be accountable for the use or application by the City or Authority of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture or for the use and application of money received by any paying agent.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("**Instructions**") given pursuant to this Indenture and delivered using Electronic Means. ("**Electronic Means**" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder). The Authority and the City shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("**Authorized Officers**") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority and City whenever a person is to be added or deleted from the listing. If the Authority or City elect to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Authority and City understand and agree that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority and City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority and City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority and City. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding the fact that such directions conflict or are inconsistent with a subsequent written instruction. The Authority and City agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority and City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "**force majeure**" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

In acting or omitting to act pursuant to the Lease Agreement or Ground Lease, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Indenture and the Lease Agreement, including, but not limited to, this Article VIII.

ARTICLE IX

MODIFICATION OR AMENDMENTS

Section 9.01 Modifications and Amendments Permitted.

(a) This Indenture and the rights and obligations of the Authority, the City, the Owners of the Bonds and the Trustee may be modified or amended from time to time and at any time by a Supplemental Indenture, which the Authority, the City and the Trustee may enter into with the written consent of the Owners of a majority in aggregate principal amount of all Bonds then Outstanding. No such modification or amendment shall: (i) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or the rate of interest thereon, or extend the time of payment, without the consent of the Owner of each Bond so affected; or (ii) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment; or (iii) permit the creation of any lien on the Base Rental Payments and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture or deprive the Owners of the Bonds of the lien created by this Indenture on such Base Rental Payments and other assets (except as expressly provided in this Indenture), without the consent of the Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Bond Owners to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(b) This Indenture and the rights and obligations of the Authority, the City, the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the Authority, the City and the Trustee may enter into without the consent of any Bond Owners for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority or the City in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority or the City;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision contained in this Indenture;

(iii) to provide for the issuance of one or more Series of Additional Bonds, and to provide the terms and conditions under which such Series of Additional Bonds may be issued, subject to and in accordance with the provisions of Article III hereof;

(iv) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(v) to modify, amend or supplement this Indenture in such manner as to cause interest on the Bonds to be excludable from gross income for purposes of federal income taxation by the United States of America; and

(vi) in any other respect whatsoever as the Authority and the City may deem necessary or desirable, provided that such modification or amendment does not materially adversely affect the interests of the Bond Owners hereunder.

(c) Promptly after the execution by the Authority, the City and the Trustee of any Supplemental Indenture, the Trustee shall mail a notice (the form of which shall be furnished to the Trustee by the Authority), by first class mail postage prepaid, setting forth in general terms the substance of such Supplemental Indenture, to the Owners of the Bonds at the respective addresses shown on the Registration Books. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

(d) No Supplemental Indenture shall modify any of the rights or obligations of the Trustee without its prior written consent.

(e) In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion addressed and delivered to the Trustee stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture and that the execution and delivery thereof will not in and of itself adversely affect the exclusion from federal gross income tax of interest on the Series 2026D Bonds.

Section 9.02 Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the City, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 9.03 Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if the Authority so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Owner of any Bonds Outstanding at the time of such execution and presentation of his Bonds for the purpose at the Office of the Trustee a suitable notation shall be made on such Bonds. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Authority and authenticated by the Trustee, and upon demand of the Owners of any Bonds then Outstanding shall be exchanged at the Office of the Trustee, without cost to any Bond Owner, for Bonds then

Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amount of the same interest rate and maturity.

Section 9.04 Amendment of Particular Bonds. The provisions of this Article shall not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by such Owner.

ARTICLE X

DEFEASANCE

Section 10.01 Discharge of Indenture. If the Authority shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Bonds the principal thereof and the interest and premium, if any, thereon at the times and in the manner stipulated herein and therein, then the Owners of such Bonds shall cease to be entitled to the pledge of the Base Rental Payments and the other assets as provided herein, and all agreements, covenants and other obligations of the Authority and the City to the Owners of such Bonds hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Authority and the City all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the City all money or securities held by it pursuant hereto which are not required for the payment of the principal of and interest and premium, if any, on such Bonds.

Subject to the provisions of the above paragraph, when any of the Bonds shall have been paid and if, at the time of such payment, the Authority and the City shall have kept, performed and observed all of the covenants and promises in such Bonds and in this Indenture required or contemplated to be kept, performed and observed by them on or prior to that time, then this Indenture shall be considered to have been discharged in respect of such Bonds and such Bonds shall cease to be entitled to the lien of this Indenture and such lien and all covenants, agreements and other obligations of the Authority and the City hereunder shall cease, terminate become void and be completely discharged as to such Bonds.

Notwithstanding the satisfaction and discharge of this Indenture or the discharge of this Indenture in respect of any Bonds, those provisions of this Indenture relating to the maturity of the Bonds, interest payments and dates thereof, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, and the duties of the Trustee in connection with all of the foregoing, shall remain in effect and shall be binding upon the Trustee and the Owners of the Bonds and the Trustee shall continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal of and interest and premium, if any, on the Bonds, to pay to the Owners of Bonds the funds so held by the Trustee as and when such payment becomes due. Notwithstanding the satisfaction and discharge of this Indenture or the discharge of this Indenture in respect of any Bonds, those provisions of this Indenture relating to the compensation and indemnity of the Trustee shall remain in effect and shall be binding upon the Trustee, the City and the Authority.

Section 10.02 Bonds Deemed To Have Been Paid. If moneys shall have been set aside and held by the Trustee for the payment or redemption of any Bonds and the interest thereon at the maturity or redemption date thereof, such Bonds shall be deemed to have been paid within the meaning and with the effect provided in Section 10.01 hereof. Any Outstanding Bonds shall, prior to

the maturity date or redemption date thereof, be deemed to have been paid within the meaning of and with the effect expressed in Section 10.01 hereof if: (a) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to give, on a date in accordance with the provisions of Section 4.02 hereof, notice of redemption of such Bonds on said redemption date, said notice to be given in accordance with Section 4.02 hereof; (b) there shall have been deposited with the Trustee either: (i) money in an amount which shall be sufficient; or (ii) Federal Securities that are not subject to redemption other than at the option of the holder thereof, the interest on and principal of which when paid will provide money which, together with the money noted in previous subsection (i), if any deposited with the Trustee at the same time, shall, as verified by an independent certified public accountant, be sufficient to pay when due the interest to become due on such Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and premium, if any, on such Bonds; and (c) in the event that such Bonds are not by their terms subject to redemption within the next succeeding 60 days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the owners of such Bonds that the deposit required by clause (b) above has been made with the Trustee and that such Bonds, are deemed to have been paid in accordance with this Section and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and premium, if any, on such Bonds.

Section 10.03 Payment of Bonds After Discharge of Indenture. Notwithstanding any provisions of this Indenture, to the extent permitted by law, any moneys held by the Trustee in trust for the payment of the principal of, or premium or interest on, any Bonds and remaining unclaimed for two years after the date of deposit of such moneys, shall be repaid to the Authority (without liability for interest) free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the Authority as aforesaid, the Trustee may (at the cost of the Authority) first mail, by first class mail postage prepaid, to the Owners of Bonds which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the Authority of the moneys held for the payment thereof.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Benefits of Indenture Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the Authority, the City, the Trustee and the Owners any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term required herein to be observed or performed by or on behalf of the Authority or the City shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 11.02 Successor Deemed Included in all References to Predecessor. Whenever the Authority, the City or the Trustee, or any officer thereof, is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority, the City or the Trustee, or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of the Authority, the City or the Trustee, or any officer thereof, shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 11.03 Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee may accept which it may deem sufficient.

The ownership of any Bonds and the amount, payment date, number and date of owning the same may be proved by the Registration Books.

Any declaration, request or other instrument in writing of the Owner of any Bond shall bind all future Owners of such Bond with respect to anything done or suffered to be done by the Authority, the City or the Trustee in good faith and in accordance therewith.

Section 11.04 Waiver of Personal Liability. Notwithstanding anything contained herein to the contrary, no member, officer or employee of the Authority or the City shall be individually or personally liable for the payment of any moneys, including without limitation, the principal of or interest on the Bonds, but nothing contained herein shall relieve any member, officer or employee of the City or the Authority from the performance of any official duty provided by any applicable provisions of law, by the Lease Agreement or hereby.

Section 11.05 Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the Authority of any Bonds, the Trustee may, in lieu of such cancellation and delivery, destroy such Bonds.

Section 11.06 Funds and Accounts. Any fund or account required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund, but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with sound accounting practice and with due regard for the protection of the security of the Bonds and the rights of the Owners.

The Trustee may commingle any of the moneys held by it hereunder for investment purposes only; provided, however, that the Trustee shall account separately for the moneys in each fund or account established pursuant to this Indenture. The Trustee may establish such funds and accounts as it deems necessary or appropriate to perform its obligations hereunder.

Section 11.07 Article and Section Headings Gender and References. The singular form of any word used herein, including the terms defined in Section 1.01 hereof, shall include the plural, and vice versa, unless the context otherwise requires. The use herein of a pronoun of any gender shall include correlative words of the other genders. The headings or titles of the several Articles and Sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to "Articles," "Sections," subsections or clauses are to the corresponding Articles, Sections, subsections

or clauses hereof, and the words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section, subsection or clause thereof.

Section 11.08 Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the Authority, the City or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void to the extent contrary to law and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Bonds, and the Owners shall retain all the benefit, protection and security afforded to them under any applicable provisions of law. The Authority, the City and the Trustee hereby declare that they would have executed this Indenture, and each and every Article, Section, paragraph, subsection, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Bonds pursuant hereto irrespective of the fact that any one or more Articles, Sections, paragraphs, subsections, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 11.09 Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are actually known by the Trustee to be owned or held by or for the account of the Authority or the City, or by any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination; except that, in determining whether the Trustee shall be protected in relying upon any such demand, request, direction, consent or waiver of an Owner, only Bonds which the Trustee actually knows to be owned or held by or for the account of the Authority or the City, or by any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City, shall be disregarded unless all Bonds are so owned or held, in which case such Bonds shall be considered Outstanding for the purpose of such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request of the Trustee, the Authority and the City shall specify in a Written Certificate of the City and Authority those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such Certificate.

Section 11.10 Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest, principal or premium due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 10.03 hereof but without any liability for interest thereon.

Section 11.11 Payment on Non-Business Days. In the event that any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day with the same effect as if made on such non-Business Day.

Section 11.12 California Law. This Indenture shall be construed and governed in accordance with the laws of the State of California.

Section 11.13 Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the City:	City of Ontario 303 East B Street Ontario, California 91764 Attention: City Manager
If to the Authority:	Ontario Public Financing Authority c/o City of Ontario 303 East B Street Ontario, California 91764 Attention: Executive Director
If to the Trustee:	Zions Bancorporation, National Association 707 Wilshire Blvd., Ste. 5000 Los Angeles, California 90017 Attention: Corporate Trust Department

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed: (a) if personally served or delivered, upon delivery; (b) if given by Electronic Means upon the sender's receipt of an appropriate answer back or other written acknowledgment; (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail; (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier; or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 11.14 Notice to Rating Agencies. The Trustee shall provide S&P, if the Bonds are then rated by S&P, and Moody's, if the Bonds are then rated by Moody's, with prompt notice of any substitution or release of property pursuant to Section 9.03 of the Lease Agreement.

Section 11.15 Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority and the City have caused this Indenture to be signed in their respective names by their representative thereunto duly authorized, and the Trustee, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

ONTARIO PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

ATTEST:

_____
Secretary

CITY OF ONTARIO

By: _____
City Manager

ATTEST:

_____
City Clerk

[SIGNATURES CONTINUED ON NEXT PAGE.]

[SIGNATURE PAGE CONTINUED.]

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Officer

EXHIBIT A

FORM OF SERIES 2026 BOND

No. ____ $_____

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026[C][D] BONDS [(FEDERALLY TAXABLE)] [(TAX-EXEMPT)]

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	March 1, 20____	_____, 2026	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The Ontario Public Financing Authority (the "Authority"), for value received, hereby promises to pay, solely from the Base Rental Payments (as hereinafter defined) or amounts in certain funds and accounts held under the Indenture (as hereinafter defined), to the Registered Owner identified above or registered assigns (the "Registered Owner"); on the Maturity Date identified above or on any earlier redemption date, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Interest Rate identified above in like lawful money from the date hereof payable semiannually on March 1 and September 1 in each year, commencing September 1, 2026 (the "Interest Payment Dates"), until payment of such Principal Amount in full. This Bond shall bear interest from the Interest Payment Date next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth calendar day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to August 15, 2026, in which event it shall bear interest from the Dated Date identified above; provided, however, that if, at the time of authentication of this Bond, interest is in default on this Bond, interest on this Bond shall be payable from the date to which interest hereon has been paid in full, payable on each Interest Payment Date). The Principal Amount hereof is payable upon surrender hereof upon maturity or earlier redemption at the Office of the Trustee (as hereinafter defined). Interest hereon is

payable by wire or check of Zions Bancorporation, National Association, as trustee (the "Trustee"), mailed by first class mail, postage prepaid, on each Interest Payment Date to the Registered Owner hereof at the address of the Registered Owner shown on the Registration Books at the close of business on the fifteenth calendar day of the month next preceding such Interest Payment Date. "Office of the Trustee" means the principal corporate trust office of the Trustee in Los Angeles, California, or such other office as may be specified to the Authority and the City of Ontario (the "City") by the Trustee in writing, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term shall mean the office or the agency of the Trustee at which, at any particular time, its corporate trust agency shall be conducted as specified to the Authority and the City by the Trustee in writing.

This Bond is one of a series of a duly authorized issue of bonds issued for the purpose of financing the acquisition, construction and/or installation of the Project (as defined in the Indenture), and is one of the series of bonds designated "Ontario Public Financing Authority Lease Revenue Bonds, Series 2026[C][D] [(Federally Taxable)] [(Tax-Exempt)]" (the "Series 2026[C][D] Bonds") in the aggregate principal amount of $[_____][_____]. The Series 2026[C][D] Bonds are issued pursuant to that certain Indenture, dated as of _____ 1, 2026 (the "Indenture"), by and among the Authority, the City and the Trustee, and this reference incorporates the Indenture herein, and by acceptance hereof the owner of this Bond assents to said terms and conditions. Concurrently with the issuance of the Series 2026[C][D] Bonds, the Authority will issue the Ontario Financing Authority Lease Revenue Bonds, Series 2026[D][C] [(Tax-Exempt)] [(Federally Taxable)]" (the "Series 2026[D][C] Bonds" and together with the Series 2026[C][D] Bonds, the "Series 2026 Bonds") pursuant to the terms of the Indenture. Pursuant to and as more particularly provided in the Indenture, additional bonds ("Additional Bonds"), may be issued by the Authority secured by a lien on a parity with the lien securing the Series 2026 Bonds. The Series 2026 Bonds and any Additional Bonds are collectively referred to as the "Bonds." The Indenture is entered into, and this Bond is issued under, the Marks-Roos Local Bond Pooling Act of 1985 (the "Act") and the laws of the State of California.

Pursuant to the Indenture, the principal of and interest on the Bonds are payable solely from certain base rental payments (the "Base Rental Payments") under and pursuant to that certain Lease Agreement, dated as of _____ 1, 2026 (the "Lease Agreement"), by and between the City, as lessee, and the Authority, as lessor, all of which rights to receive such Base Rental Payments have been assigned without recourse by the Authority to the Trustee. Subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein, all of the Base Rental Payments and any other amounts (including proceeds of the sale of the Bonds) held in the Base Rental Payment Fund, the Interest Fund, the Principal Fund and the Redemption Fund established under the Indenture are pledged to secure the payment of the principal of, premium, if any, and interest on the Bonds in accordance with their terms, the provisions of the Indenture and the Act. Said pledge constitutes a first lien on such assets.

The Series 2026 Bonds are authorized to be issued in the form of fully registered bonds without coupons in denominations of $5,000 or any integral multiple thereof ("Authorized Denominations").

The Series 2026 Bonds shall be subject to redemption, in whole or in part, on any date, in Authorized Denominations, from and to the extent of any net insurance proceeds received with respect to all or a portion of the property leased under the Lease Agreement, remaining after payment therefrom of all reasonable expenses incurred in the collection thereof, deposited by the Trustee in

the Redemption Fund established under the Indenture, at a Redemption Price equal to the principal amount of the Series 2026 Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

The Series 2026[C][D] Bonds maturing on or after March 1, 20__, shall be subject to optional redemption, in whole or in part, on March 1, 20__ or any date thereafter, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2026 Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

[The Series 2026C Bonds with stated maturities on March 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each March 1 on and after March 1, 20__, in integral multiples of $5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (March 1)	***Principal Amount***

* Final Maturity.]

[The Series 2026D Bonds with stated maturities on March 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each March 1 on and after March 1, 20__, in integral multiples of $5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (March 1)	***Principal Amount***

* Final Maturity.]

If, during the Fiscal Year immediately preceding one of the redemption dates specified above, the Authority purchases Series 2026 Bonds, at least 45 days prior to the redemption date, the Authority will notify the Trustee as to the principal amount purchased and the amount of Series 2026 Bonds so purchased shall be credited at the time of purchase, to the extent of the full principal amount thereof, to reduce such upcoming mandatory sinking fund redemption payment for the Series 2026 Bonds so purchased. All Series 2026 Bonds purchased pursuant to the Indenture will be cancelled.

The Trustee on behalf and at the expense of the Authority shall mail (by first class mail) notice of any redemption to the respective owners of any Series 2026 Bonds designated for redemption, at their respective addresses appearing on the Registration Books, at least 20 but not more than 60 days prior to the date fixed for redemption; provided, however, that neither failure to receive any such notice so mailed, nor any defect therein, shall affect the validity of the proceedings for the redemption of such Series 2026 Bonds or the cessation of accrual of interest thereon from and after the date fixed for redemption. The Redemption Price of the Series 2026 Bonds to be redeemed shall be paid only upon presentation and surrender thereof at the Office of the Trustee. From and after the date fixed for redemption of any Series 2026 Bonds, interest on such Series 2026 Bonds will cease to accrue and become payable.

Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, fully registered Series 2026 Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount and maturity of fully registered Series 2026 Bonds of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by his duly authorized attorney, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Series 2026 Bond or Series 2026 Bonds, in Authorized Denominations, for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Authority, the City and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority, the City and the Trustee shall not be affected by any notice to the contrary.

The Indenture and the rights and obligations of the Authority, the City, the owners of the Bonds and the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided that no such modification or amendment shall: (a) extend the fixed maturity of any Bonds, or reduce the principal thereof or the rate of interest thereon, or extend the time of payment, without the consent of the owner of each Bond so affected; or (b) reduce the percentage of Bonds the consent of the owners of which is required to effect any such amendment or modification; or (c) permit the creation of any lien on the Base Rental Payments and other assets pledged under the Indenture prior to or on a parity with the lien created by the Indenture or deprive the owners of the Bonds of the lien created by the Indenture on such the Base Rental Payments and such other assets (except as expressly provided in the Indenture), without the consent of the owners of all Bonds then outstanding.

The Indenture contains provisions permitting the Authority to make provision for the payment of interest on, and the principal and premium, if any, of any of the Bond so that such Bonds shall no longer be deemed to be outstanding under the terms of the Indenture.

All obligations of the Authority under the Indenture shall be special obligations of the Authority, payable solely from Rental Payments and the other assets pledged therefor under the Indenture; provided, however, that all obligations of the Authority under the Bonds shall be special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged therefor under the Indenture. Neither the faith and credit nor the taxing power of the Authority, the City or the State of California, or any political subdivision thereof, is pledged to the payment of the Bonds.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time, form and manner as required by the Joint Exercise of Powers Agreement, and the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit under any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Authority has caused this Bond to be signed in its name and on its behalf by the facsimile signatures of its Executive Director and Secretary, all as of the Dated Date identified above.

ONTARIO PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

Attest:

_____
Secretary

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This is one of the Series 2026[C][D] Bonds described in the within-mentioned Indenture and registered on the Registration Books.

Date: _____, 2026

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

[FORM OF LEGAL OPINION]

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

_____

Secretary of the Ontario Public Financing Authority

[FORM OF ASSIGNMENT]

For value, received the undersigned hereby sells, assigns and transfers unto _____ whose address and social security or other tax identifying number is _____, the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

Note: Signature(s) must be guaranteed by an eligible guarantor.

_____

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

FORM OF PROJECT FUND REQUISITION

REQUISITION NO. _____ FOR
DISBURSEMENT FROM PROJECT FUND

The undersigned hereby states and certifies:

(i) that he/she is the duly appointed, qualified and acting _____ of the City of Ontario, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "City"), and as such, is familiar with the facts herein certified and is authorized to certify the same;

(ii) that, pursuant to Section 3.04 of that certain Indenture, dated as of _____ 1, 2026 (the "Indenture"), by and among the Ontario Public Financing Authority (the "Authority"), the City and Zions Bancorporation, National Association, as trustee (the "Trustee"), related to the Authority's Lease Revenue Bonds, Series 2026C (Federally Taxable) and Series 2026D (Tax-Exempt) the undersigned hereby requests the Trustee to disburse this date the following amounts from the 2026[C][D] Account of the Project Fund established under the Indenture, to the payees designated on the attached Exhibit 1;

(iii) that each obligation mentioned herein has been incurred by the City and is a proper charge against the 2026[C][D] Account of the Project Fund; and

(iv) that there has not been filed with or served upon the City notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the payees named on the attached Exhibit 1, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

All capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Indenture.

Dated: _____ CITY OF ONTARIO

By: _____
Its: _____

EXHIBIT 1

PROJECT FUND DISBURSEMENTS

Item Number	***Payee Name and Address***	***Purpose of Obligation***	***Amount***
_____			_____
_____			_____
_____			_____
_____			_____
_____			_____

$_____	$_____
ONTARIO PUBLIC FINANCING AUTHORITY	**ONTARIO PUBLIC FINANCING AUTHORITY**
LEASE REVENUE BONDS, SERIES 2026C (FEDERALLY TAXABLE)	**LEASE REVENUE BONDS, SERIES 2026D (TAX-EXEMPT)**

BOND PURCHASE AGREEMENT

[BPA Date]

Ontario Public Financing Authority
303 East B Street
Ontario, California 91764

City of Ontario
303 East B Street
Ontario, California 91764

Ladies and Gentlemen:

The undersigned Samuel A. Ramirez & Co., Inc. (the "Underwriter"), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (which, together with Exhibit A, is referred to as this "Purchase Agreement") with the Ontario Public Financing Authority (the "Authority") and the City of Ontario (the "City"), which, upon the acceptance by the Authority and the City, will be binding upon the parties hereto. By execution of this Purchase Agreement, the Authority, the City and the Underwriter acknowledge the terms hereof and recognize that they will be bound by certain of the provisions hereof, and to the extent binding thereupon, acknowledge and agree to such terms. This offer is made subject to acceptance by the Authority and by the City by the execution of this Purchase Agreement and delivery of the same to the Underwriter prior to 11:59 P.M., Pacific time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the City from the Underwriter at any time prior to the acceptance hereof by the Authority and the City. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture (defined herein).

The City and Authority acknowledge and agree that: (i) the purchase and sale of the Bonds (defined herein), pursuant to this Purchase Agreement is an arm's-length commercial transaction between the City and the Authority, on one hand, and the Underwriter, on the other; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City or the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is

currently providing other services to the City or the Authority on other matters); (iv) the Underwriter has financial and other interests that differ from those of the City and the Authority; and (v) the City and the Authority have consulted their own legal, financial and other advisors to the extent they have deemed appropriate.

Section 1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to issue, sell and deliver to the Underwriter all (but not less than all) of the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (the "2026C Bonds") and the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (the "2026D Bonds," and together with the 2026C Bonds, the "Bonds"). The Bonds will be dated as of their date of delivery. Interest on the Bonds shall be payable semiannually in each year on April 1 and October 1, commencing October 1, 2026 (each an "Interest Payment Date"), and will bear interest at the rates and on the dates as set forth in Exhibit A attached hereto.

The purchase price for the 2026C Bonds shall be $_____ (which represents the principal amount of the 2026C Bonds in the amount of $_____.00, less an Underwriter's discount of $_____).

The purchase price for the 2026D Bonds shall be $_____ (which represents the principal amount of the 2026D Bonds in the amount of $_____.00, plus an original issue premium in the amount of $_____, less an Underwriter's discount of $_____).

The Underwriter agrees that, in connection with the public offering and initial delivery of the Bonds to the purchasers thereof from the Underwriter, the Underwriter will deliver or cause to be delivered to each purchaser a copy of the final Official Statement prepared in connection with the Bonds, for the time period required under Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"). Terms defined in the Official Statement are used herein as so defined.

Section 2. The Bonds. The Bonds shall be secured by revenues consisting primarily of base rental payments (the "Base Rental Payments") to be paid by the City pursuant to that certain Lease Agreement, dated as of _____ 1, 2026 (the "Lease Agreement"), by and between the Authority and the City. The Authority's right to receive the Base Rental Payments due under the Lease Agreement and to exercise remedies upon default under such Lease Agreement shall be assigned to Zions Bancorporation, National Association, as trustee (the "Trustee") for the benefit of the owners of the Bonds pursuant to that certain Assignment Agreement, dated as of _____ 1, 2026 (the "Assignment Agreement"), by and between the Authority and the Trustee. The Bonds shall be as described in and secured under and pursuant to that certain Indenture, dated as of _____ 1, 2026 (the "Indenture"), by and among the Authority, the City, and the Trustee. The Bonds will be subject to redemption as set forth in the Indenture and Official Statement herein described.

The 2026C Bonds are being issued to provide funds to: (i) finance the acquisition and construction of capital projects of the City; and (ii) to pay the costs of issuing the 2026C Bonds.

The 2026D Bonds are being issued to provide funds to: (i) finance the acquisition and construction of capital projects of the City; and (ii) pay the costs of issuing the 2026D Bonds.

Section 3. Public Offering. The Underwriter agrees to make an initial public offering of all the Bonds at the public offering prices (or yields) set forth on Exhibit A attached hereto and

incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Exhibit A attached hereto. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

Section 4. Establishment of Issue Price of the 2026D Bonds.

(a) The Underwriter agrees to assist the Authority in establishing the issue price of the 2026D Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the 2026D Bonds.

(b) Except as otherwise set forth in Exhibit B, the Authority will treat the first price at which 10% of each maturity of the 2026D Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Authority the price or prices at which they have sold to the public each maturity of 2026D Bonds. If at that time the 10% test has not been satisfied as to any maturity of the 2026D Bonds, the Underwriter agrees to promptly report to the Authority the prices at which they sell the unsold 2026D Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all 2026D Bonds of that maturity or (ii) the 10% test has been satisfied as to the 2026D Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel. For purposes of this Section, if 2026D Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the 2026D Bonds.

(c) The Underwriter confirms that the Underwriter has offered the 2026D Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the 2026D Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agrees that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule").

So long as the hold-the-offering-price rule remains applicable to any maturity of the 2026D Bonds, the Underwriter will neither offer nor sell unsold 2026D Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (i) the close of the 5th business day after the sale date; or (ii) the date on which the Underwriter has sold at least 10% of that maturity of the 2026D Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the 5th business day after the sale date whether it has sold 10% of that maturity of the 2026D Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the 2026D Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public any unsold 2026D Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all 2026D Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the 2026D Bonds of that maturity and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter and as set forth in the related pricing wires,

(B) to promptly notify the Underwriter of any sales of 2026D Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the 2026D Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by an Underwriter, dealer or broker-dealer, the Underwriter shall assume that each order submitted by an Underwriter, dealer or broker-dealer is a sale to the public; and

(ii) any selling group agreement relating to the initial sale of the 2026D Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the 2026D Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold 2026D Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all 2026D Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the 2026D Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Authority acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the 2026D Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the 2026D Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2026D Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the 2026D Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the 2026D Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2026D Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the

failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the 2026D Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2026D Bonds.

(f) The Underwriter acknowledges that sales of any 2026D Bonds to any person that is a related party to an underwriter participating in the initial sale of the 2026D Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the 2026D Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the 2026D Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the 2026D Bonds to the public),

(iii) a purchaser of any of the 2026D Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Purchase Agreement by all parties.

Section 5. The Official Statement. By their acceptance of this Purchase Agreement, the Authority and the City ratify, confirm and approve of the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement relating to the Bonds, dated [POS Date] (including the cover page, all appendices and all information incorporated therein and any supplements or amendments thereto and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement") that authorized officers of the City deemed "final" as of its date, for purposes of Rule 15c2-12 except for certain omissions permitted to be omitted therefrom by Rule 15c2-12. The Authority and the City hereby agree to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, copies of the final official statement, dated the date hereof, relating to the Bonds (including all information previously permitted to have been omitted by Rule 15c2-12, the cover page, all appendices, all information incorporated therein and any amendments or supplements as have been approved by the Authority, the City and the Underwriter (the "Official Statement")) in such quantity as the Underwriter shall reasonably request to comply with Securities and Exchange Commission Rule 15c2-12(b)(4) and the rules of the Municipal Securities Rulemaking Board (the "MSRB").

The Underwriter hereby agrees that it will not request that payment be made by any purchaser of the Bonds prior to delivery by the Underwriter to the purchaser of a copy of the Official Statement. The Underwriter agrees to (i) provide the Authority and the City with final pricing information on the Bonds on a timely basis and (ii) promptly file a copy of the final Official Statement, including any supplements prepared by the Authority or the City with the MSRB on its Electronic Municipal Markets Access ("EMMA") system at *http://emma.msrb.org*. The Authority and the City hereby approve of the use and distribution by the Underwriter of the final Official Statement in connection with the offer and sale of the Bonds. The Authority and the City will cooperate with the Underwriter in the filing by the Underwriter of the Official Statement with EMMA.

Section 6. Closing. At 8:00 a.m., California time, on [Closing Date], or at such other time or date as the Authority, the City and the Underwriter agree upon, the Authority shall deliver or cause to be delivered to the Trustee, and the Trustee shall deliver or cause to be delivered through the facilities of The Depository Trust Company, New York, New York ("DTC"), the Bonds in definitive form, duly executed and authenticated. Concurrently with the delivery of the Bonds, the Authority and the City shall deliver the documents hereinafter mentioned at the offices of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California or another place to be mutually agreed upon by the Authority, the City and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in immediately available funds. This payment for and delivery of the Bonds, together with the delivery of the aforementioned documents referenced herein, is called the "Closing."

The Bonds shall be registered in the name of Cede & Co., as nominee of DTC in denominations of five thousand dollars ($5,000) or any integral multiple thereof, and shall be made available to the Underwriter at least one (1) business day before the Closing for purposes of inspection and packaging. The Authority and the City acknowledge that the services of DTC will be used initially by the Underwriter to permit the issuance of the Bonds in book-entry form, and agree to cooperate fully with the Underwriter in employing such services.

Section 7. Representations, Warranties and Covenants of the Authority. The Authority represents, warrants and covenants to the Underwriter and the City that:

(a) The Authority is and will be at the date of Closing a joint exercise of powers authority organized and existing under the laws of the State of California, including Section 6500 *et seq*. of the California Government Code (the "JPA Act") with all necessary power and authority to enter into and perform its duties under that certain Ground Lease, dated as of _____ 1, 2026 (the "Ground Lease"), by and between the City and the Authority, the Lease Agreement, the Indenture, the Assignment Agreement and this Purchase Agreement. The Ground Lease, Lease Agreement, Indenture, Assignment Agreement and this Purchase Agreement are collectively referred to herein as the "Authority Documents."

(b) The Authority has complied with all filing requirements of the JPA Act.

(c) By official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement (including in electronic form), and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained, in the Authority Documents. When executed and delivered, each Authority Document will constitute the legal, valid and binding obligation of the Authority enforceable in accordance with

its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally.

(d) Prior to the date hereof, the Authority has provided to the Underwriter for its review the Preliminary Official Statement that an authorized officer of the Authority has deemed final for purposes of Rule 15c2-12, has approved the distribution of the Preliminary Official Statement and the Official Statement and has duly authorized the execution and delivery of the Official Statement (including in electronic form). The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in light of the circumstances under which they were made, not misleading. At the date hereof and on the Closing, the final Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in light of the circumstances under which they were made, not misleading.

(e) To the knowledge of the undersigned officer of the Authority, the execution and delivery by the Authority of the Authority Documents and the approval and execution by the Authority of the Official Statement and compliance with the provisions on the Authority's part contained in the Authority Documents, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject to, which conflict, breach or default has or may have a material adverse effect on the ability of the Authority to carry out its obligations under the Authority Documents, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument, except as provided by the Authority Documents.

(f) The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(g) To the knowledge of the undersigned officer of the Authority, the Authority is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, in each case which breach or default has or may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents.

(h) As of the time of acceptance hereof and as of the date of Closing, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending for which the Authority has been served or, to the knowledge of the officers of the Authority, threatened (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices, (ii) affecting,

contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the 2026D Bonds from gross income for federal income tax purposes or contesting the powers of the Authority to enter into the Authority Documents or (iii) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clause (i) through (iii) of this sentence.

(i) Any certificate signed by any officer of the Authority authorized to execute such certificate in connection with the issuance, sale and delivery of the Bonds and delivered to the Underwriter shall be deemed a representation and warranty of the Authority to the Underwriter and the City as to the statements made therein but not of the person signing such certificate.

Section 8. Representations, Warranties and Covenants of the City. The City represents, warrants and covenants to the Underwriter and the Authority that:

(a) The City is and will be at the date of Closing a municipal corporation duly organized and existing pursuant to and under the Constitution and laws of the State of California and has all necessary power and authority to enter into and perform its duties under the Continuing Disclosure Certificate relating to the Bonds (the "Continuing Disclosure Certificate"), the Indenture, the Ground Lease, the Lease Agreement and this Purchase Agreement (together, the "City Documents" and, together with the Authority Documents, the "Legal Documents") and has by official action duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the City Documents.

(b) By official action of the City prior to or concurrently with the acceptance hereof, the City has duly approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement (including in electronic form), and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained, in the City Documents. When executed and delivered, each City Document will constitute the legally valid and binding obligation of the City enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally.

(c) The Preliminary Official Statement heretofore delivered to the Underwriter is hereby deemed final by the City as of its date and as of the date hereof, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(i) of Rule 15c2-12. The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in the light of the circumstances under which they were made, not misleading. At the date hereof and on the Closing, the final Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in the light of the circumstances under which they were made, not misleading.

(d) To the knowledge of the undersigned officer of the City, the execution and delivery by the City of the City Documents and the approval by the City of the Official Statement and compliance with the provisions on the City's part contained in the City Documents, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject to, which conflict, breach or default has or may have a material adverse effect on the ability of the City to carry out its obligations under the City Documents, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the City under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument, except as provided by the City Documents.

(e) The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental Authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(f) To the knowledge of the undersigned officer of the City, after reasonable inquiry, the City is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, in each case which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the City Documents.

(g) The financial statements relating to the receipts, expenditures and cash balances of the City as of June 30, 2025 as set forth in the Official Statement fairly represent the revenues, expenditures and fund balances of the General Fund. Except as disclosed in the Preliminary Official Statement, the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the General Fund or in its operations since June 30, 2025 and, except as disclosed in the Preliminary Official Statement, the Official Statement or otherwise disclosed in writing to the Underwriter, there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(h) As of the time of acceptance hereof and as of the date of Closing, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending for which the City has been served or, to the knowledge of the officers of the City, threatened (i) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the 2026D Bonds from gross income for federal income tax purposes or contesting the power of the City to enter into the City Documents; (iii) which may result in any material adverse change to the financial condition of the City or to its ability to pay the Base Rental Payments when due; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement

contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clause (i) through (iv) of this sentence.

(i) To the extent required by law, the City will undertake, pursuant to the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth as an appendix to the Preliminary Official Statement and will also be set forth in an appendix to the Official Statement. Except as otherwise disclosed in the Preliminary Official Statement and the Official Statement, the City has never failed to comply in all material respects with any previous undertakings with regard to Rule 15c2-12 to provide annual reports or notices of enumerated events with respect to the last five years.

(j) Any certificate signed by any officer of the City authorized to execute such certificate in connection with the issuance, sale and delivery of the Bonds and delivered to the Underwriter shall be deemed a representation and warranty of the City to the Underwriter and the Authority as to the statements made therein but not of the person signing such certificate.

(k) As of the date hereof, the City does not have any material obligations secured by payments from the General Fund of the City, except as disclosed in the Preliminary Official Statement and the Official Statement.

Section 9. Conditions to the Obligations of the Underwriter. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the Authority and the City contained herein. The obligations of the Underwriter to accept delivery of and pay for the Bonds on the date of the Closing shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the statements of the officers and other officials of the Authority and of the City, as well as authorized representatives of Bond Counsel, the Trustee, Disclosure Counsel and the municipal advisor made in any Bonds or other documents furnished pursuant to the provisions hereof; to the performance by the Authority and the City of their obligations to be performed hereunder at or prior to the date of the Closing; and to the following additional conditions:

(a) The representations, warranties and covenants of the City and the Authority contained herein shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing;

(b) At the time of Closing, the Legal Documents shall be in full force and effect as valid and binding agreements between or among the various parties thereto, and the Legal Documents and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and all such reasonable actions as, in the opinion of Bond Counsel, shall reasonably deem necessary in connection with the transactions contemplated hereby;

(c) At the time of the Closing, no default shall have occurred or be existing under the Authority Documents, the City Documents, or any other agreement or document pursuant to which any of the City's financial obligations were executed and delivered, and the City shall not be in default in the payment of principal or interest with respect to any of its financial obligations, which default would adversely impact the ability of the City to make the Base Rental Payments;

(d) In recognition of the desire of the Authority, the City and the Underwriter to effect a successful public offering of the Bonds, and in view of the potential adverse impact of any of the following events on such a public offering, this Purchase Agreement shall be subject to termination in the absolute discretion of the Underwriter by notification, in writing, to the Authority and the City prior to delivery of and payment for the Bonds, if at any time prior to such time, regardless of whether any of the following statements of fact were in existence or known of on the date of this Purchase Agreement:

(i) any event shall occur which makes untrue any statement or results in an omission to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading, which event, in the reasonable opinion of the Underwriter would materially or adversely affect the ability of the Underwriter to market the Bonds;

(ii) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State of California, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority affecting the federal or State tax status of the Authority or the City, or the interest on or with respect to bonds or notes (including the 2026D Bonds);

(iii) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Authority or the City;

(iv) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of California, or a decision by any court of competent jurisdiction within the State of California shall be rendered which materially adversely affects the market price of the Bonds;

(v) an order, decree or injunction issued by any court of competent jurisdiction, or order, ruling, regulation (final, temporary or proposed), official statement or other form of notice or communication issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that: (i) obligations of the general

character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended; or (ii) the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect;

(vi) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Bond Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act;

(vii) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect;

(viii) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any domestic governmental authority or by any domestic national securities exchange, which are material to the marketability of the Bonds;

(ix) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(x) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction;

(xi) the New York Stock Exchange or other national securities exchange, or any governmental or regulatory authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of the Underwriter

(xii) any rating of the Bonds or the rating of any obligations of the City secured by the City's general fund shall have been downgraded, suspended or withdrawn by a national rating service, which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds;

(xiii) a general banking moratorium shall have been established by federal or State authorities;

(xiv) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(xv) the commencement of any action, suit or proceeding described in Section 7(h) or Section 8(h).

(e) At or prior to the Closing, the Underwriter shall receive the following documents, in each case to the reasonable satisfaction in form and substance of the Underwriter:

(i) all resolutions relating to the Bonds adopted by the Authority and certified by an authorized official of the Authority authorizing the issuance of the Bonds, the Authority Documents and the Official Statement;

(ii) all resolutions relating to the Bonds adopted by the City and certified by an authorized official of the City authorizing the execution and delivery of the City Documents and the issuance of the Bonds and the Official Statement;

(iii) the Legal Documents duly executed and delivered by the respective parties thereto, with only such amendments, modifications or supplements as may have been agreed to in writing by the Underwriter;

(iv) the approving opinions of Bond Counsel, dated the date of Closing and addressed to the Authority and the City, in substantially the forms attached as Appendix D to the Official Statement, and reliance letters thereon addressed to the Underwriter;

(v) a supplemental opinion of Bond Counsel dated the date of Closing and addressed to the Underwriter, in substantially the form attached hereto as Exhibit C;

(vi) the Official Statement, executed on behalf of the Authority and the City;

(vii) evidence that the ratings on the Bonds are as described in the Official Statement;

(viii) a certificate, dated the date of Closing, signed by a duly authorized officer of the Authority satisfactory in form and substance to the Underwriter to the effect that: (A) the representations, warranties and covenants of the Authority contained in this Purchase Agreement are true and correct in all material respects on and as of the date of Closing with the same effect as if made on the date of the Closing by the Authority, and the Authority has complied with all of the terms and conditions of this Purchase Agreement required to be complied with by the Authority at or prior

to the date of Closing; (B) to such officer's knowledge, no event affecting the Authority has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (C) the information and statements contained in the Official Statement (other than information relating to DTC and its book-entry system) did not as of its date and do not as of the Closing contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; and (D) to its knowledge, the Authority is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which would have a material adverse impact on the Authority's ability to perform its obligations under the Authority Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument;

(ix) a certificate, dated the date of Closing, signed by a duly authorized officer of the City satisfactory in form and substance to the Underwriter to the effect that: (A) the representations, warranties and covenants of the City contained in this Purchase Agreement are true and correct in all material respects on and as of the date of Closing with the same effect as if made on the date of the Closing by the City, and the City has complied with all of the terms and conditions of the Purchase Agreement required to be complied with by the City at or prior to the date of Closing; (B) to such officer's knowledge, no event affecting the City has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (C) the information and statements contained in the Official Statement (other than information relating to DTC and its book-entry system) did not as of its date and do not as of the Closing contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; (D) to its knowledge after reasonable investigation, the City is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including but not limited to the Lease Agreement) or other instrument to which the City is a party or is otherwise subject, which would have a material adverse impact on the City's ability to perform its obligations under the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument; and (E) no further consent is required for inclusion of its audited financial statements in the Official Statement;

(x) an opinion dated the date of Closing and addressed to the Underwriter, the Trustee and Bond Counsel, of the City Attorney of the City, as counsel to the Authority, to the effect that:

(A) the Authority is a joint exercise of powers authority organized and existing under the laws of the State of California;

(B) the resolution of the Authority approving and authorizing the execution and delivery of the Authority Documents, the Bonds and the Official Statement and other actions of the Authority was duly adopted at a meeting of the governing body of the Authority which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the resolution is now in full force and effect and has not been amended or superseded in any way;

(C) to the knowledge of such counsel there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the Authority has been served or, to such counsel's knowledge, threatened against or affecting the Authority, except as may be disclosed in the Official Statement, which would materially adversely impact the Authority's ability to complete the transactions contemplated by the Authority Documents, the Official Statement or any other document or certificate related to such transactions, restrain or enjoin the collection of Base Rental Payments with respect to the Lease Agreement, or in any way contesting or affecting the validity of the Bonds, the Official Statement, the Authority Documents or the transactions described in and contemplated thereby wherein an unfavorable decision, ruling or finding would materially adversely affect the validity and enforceability of the Bonds or the Authority Documents or in which a final adverse decision could materially adversely affect the operations of the Authority;

(D) the Authority Documents have been duly authorized, executed and delivered by the Authority, and (assuming due execution and delivery by parties other than the Authority) are valid, legal and binding agreements of the Authority enforceable in accordance with their terms, except that the rights and obligations under the Authority Documents are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State;

(E) the execution and delivery of the Authority Documents and the issuance of the Bonds and compliance with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject,

which breach or default has or may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents;

(F) no authorization, approval, consent, or other order of the State of California or any other governmental body within the State of California is required for the valid authorization, execution and delivery of the Authority Documents or the Official Statement by the Authority or the consummation by the Authority of the transactions on its part contemplated therein, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Bonds by the Underwriter; and

(G) based on the information made available to such counsel in its role as counsel to the Authority, and without having undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement under the caption entitled "THE AUTHORITY," nothing has come to its attention which would lead it to believe that the statements contained in the above-referenced caption as of the date of the Official Statement and as of the date of Closing contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(xi) an opinion dated the date of Closing and addressed to the Underwriter, the Trustee and the Bond Counsel, of the City Attorney, to the effect that:

(A) the City is duly organized and validly existing as a municipal corporation under the Constitution and laws of the State of California;

(B) the resolution of the City approving and authorizing the execution and delivery of the City Documents and approving and authorizing the issuance of the Bonds and the delivery of the Official Statement and other actions of the City was duly adopted at a meeting of the governing body of the City which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the resolution is now in full force and effect and has not been amended or superseded in any way;

(C) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the City has been served or, to such counsel's knowledge, threatened against or affecting the City, except as may be disclosed in the Official Statement, which would materially adversely impact the City's ability to complete the transactions contemplated by the City Documents, the Official Statement or any other document or certificate related to such transactions, restrain or enjoin the collection of Base Rental Payments with respect to the Lease Agreement, or in any way contesting or affecting the validity of the Bonds, the Official Statement or the City Documents;

(D) the execution and delivery of the City Documents and compliance with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject, which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the City Documents;

(E) the City Documents have been duly authorized, executed and delivered by the City, and (assuming due execution and delivery by parties other than the City) are valid, legal and binding agreements of the City enforceable in accordance with their terms, except that the rights and obligations under the City Documents are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State; and

(F) no authorization, approval, consent, or other order of the State of California or any other governmental body within the State of California is required for the valid authorization, execution and delivery of the City Documents, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Bonds by the Underwriter.

(xii) a letter of Best Best & Krieger LLP, Disclosure Counsel to the Authority and the City, dated the date of Closing and addressed to the Underwriter, in substantially the form attached hereto as Exhibit D;

(xiii) an opinion of counsel to the Trustee, addressed to the Underwriter and the Authority, dated the date of the Closing, to the effect that:

(A) the Trustee is a national banking association duly organized and validly existing under the laws of the United States, having full corporate power to undertake the trust created under the Indenture;

(B) the Indenture and the Assignment Agreement (together, the "Trustee Documents") have each been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the other parties thereto, the Trustee Documents constitute the valid, legal and binding obligations of the Trustee enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

(C) the Trustee has duly authenticated the Bonds upon the order of Authority;

(D) the Trustee's actions in executing and delivering the Trustee Documents are in full compliance with, and do not conflict with any applicable law or governmental regulation and, to the best of such counsel's knowledge, after reasonable inquiry with respect thereto, do not conflict with or violate any contract to which the Trustee is a party or any administrative or judicial decision by which the Trustee is bound; and

(E) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is or will be required for the execution and delivery of the Bonds or the consummation by the Trustee of its obligations under the Trustee Documents;

(xiv) a certificate, dated the date of Closing, signed by a duly authorized officer of the Trustee satisfactory in form and substance to the Underwriter, to the effect that:

(A) the Trustee is duly organized and existing as a national banking association under the laws of the United States of America, having the full corporate power and authority to enter into and perform its duties under the Trustee Documents;

(B) the Trustee is duly authorized to enter into the Trustee Documents and has duly executed and delivered the Trustee Documents, and assuming due authorization and execution by the other parties thereto, the Trustee Documents are legal, valid and binding upon the Trustee and enforceable against such party in accordance with their terms;

(C) the Trustee has duly authenticated the Bonds under the Indenture and delivered the Bonds to or upon the order of the Underwriter; and

(D) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is required for the execution and delivery of the Bonds or the consummation by the Trustee of its obligations under the Trustee Documents;

(xv) the preliminary and final Statement of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the California Government Code and Section 8855(g) of the Government Code;

(xvi) a copy of the executed Blanket Issuer Letter of Representations by and between the City or the Authority and DTC relating to the book-entry system;

(xvii) the tax certificate executed by the Authority and the City relating to the Bonds in form and substance to the reasonable satisfaction of Bond Counsel and the Underwriter;

(xviii) a title policy with respect to the Property in form and substance acceptable to Bond Counsel, the Underwriter and Underwriter's Counsel;

(xix) evidence of insurance in compliance with the requirements of the Lease Agreement in form and substance acceptable to the Underwriter;

(xx) an opinion of Kutak Rock LLP ("Underwriter's Counsel") in form and substance acceptable to the Underwriter;

(xxi) a certificate, dated the date of the Preliminary Official Statement, of the City, as required under Rule 15c2-12;

(xxii) a certificate, dated the date of the Preliminary Official Statement, of the Authority, as required under Rule 15c2-12; and

(xxiii) such additional legal opinions, Bonds, proceedings, instruments or other documents as the Underwriter or Underwriter's Counsel may reasonably request.

Section 10. Changes in Official Statement. Within 90 days after the Closing or within 25 days following the "end of the underwriting period" (as defined in Rule 15c2-12), whichever occurs first, if any event shall occur as a result of which it is necessary, in the reasonable opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time it is delivered to a purchaser, the Authority will forthwith prepare and furnish to the Underwriter an amendment or supplement that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to purchaser, not misleading. The City and the Authority shall cooperate with the Underwriter in the filing by the Underwriter of such amendment or supplement to the Official Statement with the EMMA. The Underwriter acknowledges that the "end of the underwriting period" will be the date of Closing unless the Underwriter otherwise notifies the City in writing that it still owns some or all of the Bonds.

Section 11. Expenses. Whether or not the transactions contemplated by this Purchase Agreement are consummated, the Underwriter shall be under no obligation to pay, and the Authority shall pay only from the proceeds of the Bonds, but only as the Authority and such other party providing such services may agree, all expenses and costs of the Authority and the City incident to the performance of their obligations in connection with the authorization, issuance, sale and delivery of the Bonds to the Underwriter, including, without limitation, printing costs, rating agency fees and charges, initial fees of the Trustee, including fees and disbursements of its counsel, if any, fees and disbursements of Bond Counsel, Disclosure Counsel, the municipal advisor and other professional advisors employed by the Authority or the City, title insurance and costs of preparation, printing, signing, transportation, delivery and safekeeping of the Bonds. The Underwriter shall pay all out-of-pocket expenses of the Underwriter, including, without limitation, the fees and expenses of its counsel, advertising expenses, the California Debt and Investment Advisory Commission fee, CUSIP Services Bureau charges, regulatory fees imposed on new securities issuers and any and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

Section 12. Notices. Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Samuel A. Ramirez & Co., Inc., 12130 Millennium Drive, Suite 300, Los Angeles, California 90094; Attention: Public Finance. Any notice or other communication to be given to the Authority or the City pursuant to this Purchase Agreement may be given by delivering the same in writing to such entity, at the addresses set forth on the cover page hereof.

Section 13. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Authority, the City and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the Authority and the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

Section 14. Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 15. Governing Law. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California.

SAMUEL A. RAMIREZ & CO., INC.

By: _____
Managing Director

The foregoing is hereby agreed to and accepted as of the date first above written:

ONTARIO PUBLIC FINANCING AUTHORITY

By:_____
Name: Armen Harkalyan
Title: Treasurer

Time of Execution: _____ California time

Accepted:

CITY OF ONTARIO

By:_____
Name: Armen Harkalyan
Title: Executive Director of Finance

Time of Execution: _____ California time

EXHIBIT A

MATURITY SCHEDULE

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026C
(FEDERALLY TAXABLE)

Maturity (October 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
20__ (T)				
20__ (T)				
20__ (T)				
20__ (T)				

(T) Term Bond.

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026D
(TAX-EXEMPT)

Maturity (October 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*10% Test Satisfied*[*]	*10% Test Not Satisfied*	*Subject to Hold-The-Offering-Price Rule*
2037							
2038							
2039							
2040							
2041							
2042							
2043							

[(C)] Priced to optional call at [par] on October 1, 20__.
[*] At the time of execution of this Purchase Agreement and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement.

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026D
(TAX-EXEMPT)

The undersigned, Samuel A. Ramirez & Co., Inc. ("Ramirez"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. ***Sale of the Bonds***. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms***.

(a) *Issuer* means the Ontario Public Financing Authority.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the interpretation by Ramirez of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the attached Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except

as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

Dated: [Closing Date]

SAMUEL A. RAMIREZ & CO., INC., as underwriter

By: _____
Authorized Signatory

SCHEDULE A

SALE PRICES

[TO BE ATTACHED AT CLOSING]

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

On the Closing Date, Bond Counsel expects to deliver a supplemental opinion in substantially the following form:

[Closing Date]

Samuel A. Ramirez & Co., Inc.
Los Angeles, California

Re: $_____ Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable)

$_____ Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt)

Ladies and Gentlemen:

We have examined certified copies of proceedings taken for the sale and issuance of the above-referenced bonds (the "Bonds"), and we have rendered our opinion to the Ontario Public Financing Authority (the "Authority") this day regarding the validity and enforceability of the Bonds (the "Approving Opinion"). The Bonds are being issued pursuant to an Indenture dated as of _____ 1, 2026 (the "Indenture"), by and among the Authority, the City of Ontario (the "City") and Zions Bancorporation, National Association, as Trustee. You may rely upon our Approving Opinion as if it were addressed to you. Capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the Bond Purchase Agreement dated [BPA Date] (the "Purchase Agreement"), among the Authority, the City and Samuel A. Ramirez & Co., Inc., as underwriter.

We have assumed, but not independently verified, that the signatures on all documents, letters, certificates and instructions which we have examined are genuine, that all documents submitted to us are authentic and were duly and properly executed by the parties thereto and that all representations made in the documents that we have reviewed are true and accurate.

We express no opinion herein with respect to any indemnification, contribution, choice of law, choice of forum, penalty or waiver provisions contained in the Bonds, the Indenture, the Ground Lease, the Lease Agreement, the Assignment Agreement or the Purchase Agreement (collectively, the "Legal Documents"), nor do we express any opinion with respect to the state or quality of title to any of the real or personal property described in the Ground Lease, the Lease Agreement or the Indenture, or the accuracy or sufficiency of the description of any such property contained therein.

Based upon the foregoing and such other information and documents as we consider necessary to render this opinion, we are of the opinion that:

(1) The Purchase Agreement has been duly authorized, executed and delivered by the Authority and the City and is a valid and binding agreement of the Authority and the City.

(2) The statements on the cover of the Official Statement and in the Official Statement under the captions "INTRODUCTION," "THE 2026 BONDS," "PLAN OF FINANCE," "THE PROPERTY," "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS," and "TAX MATTERS," and in "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS" and "APPENDIX D –FORM OF BOND COUNSEL OPINION," excluding any material that may be treated as included under such captions and appendices by any cross-reference, insofar as such statements expressly summarize provisions of the Bonds, the Ground Lease, the Lease Agreement, the Assignment Agreement, the Indenture and Bond Counsel's final opinion concerning certain federal tax matters relating to the Bonds, are accurate in all material respects as of the date of Closing.

(3) The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. This opinion is limited to matters governed by the laws of the State of California and federal securities laws, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

We call attention to the fact that the rights and obligations under the Legal Documents are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California.

We express no opinion herein regarding any tax consequences with respect to the Bonds. No opinion is expressed herein with respect to the compliance with, or applicability of, any "blue sky" laws of any state as they relate to the offer or sale of the Bonds.

We call attention to the fact that the foregoing opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions or events are taken (or not taken) or occur (or do not occur).

This opinion is furnished by us to you and is solely for your benefit, and may not be used, circulated, quoted or otherwise referred to or relied upon by others without our prior written consent. This letter is not intended to be, and may not be, relied upon by the owners of the Bonds or any beneficial ownership interest therein. You have acknowledged that no attorney-client relationship exists between us and you with respect to any matters related to the Bonds.

Our engagement with respect to the Bonds has concluded with their delivery, and we disclaim any obligation to update this opinion or other matters discussed in the Official Statement.

Respectfully submitted,

EXHIBIT D

FORM OF DISCLOSURE COUNSEL LETTER

On the Closing Date, Disclosure Counsel expects to deliver a negative assurance letter in substantially the following form:

[Closing Date]

City of Ontario
Ontario, California

Samuel A. Ramirez & Co., Inc.
Los Angeles, California

Re: $_____ Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable)

$_____ Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt) – Opinion of Disclosure Counsel

Ladies and Gentlemen:

We have acted as Disclosure Counsel to the Ontario Public Financing Authority (the "Authority"), with respect to certain disclosure requirements in connection with the above-captioned bonds (the "Bonds"). All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Official Statement relating to the Bonds dated [BPA Date] (the "Official Statement").

The Bonds are being issued pursuant to the Constitution and laws of the State of California, including Article 4 of Chapter 5, Division 7, Title I (commencing with Section 6500) of the California Government Code. The Bonds are being issued pursuant to that certain Indenture, dated as of _____ 1, 2026 (the "Indenture"), by and between the Authority and Zions Bancorporation, National Association, as Trustee.

In rendering this opinion, we have reviewed such records, documents, certificates and opinions and made such other investigations of law and fact as we have deemed necessary or appropriate. This opinion is limited to matters governed by the federal securities laws of the United States of America, and we assume no responsibility with respect to the applicability or effect of the laws of any other jurisdiction.

The Official Statement is the Authority's document and as such the Authority is responsible for its content. The statements made and the information contained in the Official Statement were

reviewed for their accuracy, completeness, and materiality by representatives of the City of Ontario ("City") and the Authority. The purpose of our engagement was not to independently establish, confirm or verify the factual matters set forth in the Official Statement and we have not done so. Moreover, many of the determinations required to be made in the preparation of the Official Statement involve wholly or partially matters of non-legal character. We do not, therefore, take any responsibility for the factual matters set forth in the Official Statement and we undertake herein only to express certain limited negative assurances regarding the same.

The scope of those activities performed by us were inherently limited and do not encompass all activities that the City or the Authority may be responsible to undertake in preparing the Official Statement. Those activities performed by us relied substantially on representations, warranties, certifications and opinions made by representatives of the City, the Authority and others, and are otherwise subject to the matters set forth in this letter. In addition, while such statements of negative assurance are customarily given to an underwriter of municipal securities to assist them in discharging their responsibilities under the federal securities laws, the responsibility of the City and the Authority under those laws may differ from those of the Underwriter in material respects, and this letter may not serve the same purpose or provide the same utility to the City or the Authority as it would to the Underwriter for the Bonds.

We note that Bond Counsel has delivered a final approving opinion dated the date hereof. Bond Counsel has also rendered a supplemental opinion dated the date hereof with respect to information contained under certain sections of the Official Statement and as to certain other matters. We express no opinion with respect to matters covered by such opinions.

In our capacity as Disclosure Counsel, we have rendered certain legal advice and assistance to the Authority in connection with the preparation of the Preliminary Official Statement and Official Statement. Rendering such legal advice and assistance involved, among other things, discussions and inquiries concerning various legal matters, review of certain records, documents and proceedings, and participation in conferences and telephone conferences with, among others, representatives of the Authority, City, Underwriter and its counsel, and the municipal advisor, during which conferences the contents of the Preliminary Official Statement and Official Statement and related matters were discussed. On the basis of the information made available to us in the course of the foregoing (but without having undertaken to determine or verify independently, or assuming any responsibility for, the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and Official Statement), no facts have come to our attention which would lead us to believe that the Preliminary Official Statement, as of its date, and Official Statement, as of its date and as of the date of Closing (excluding therefrom financial and statistical data; CUSIP numbers, financial, accounting, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any determinations regarding valuation, real estate, and environmental matters, or any basis therefor; information about the Underwriter; statements relating to the Book Entry Only system and The Depository Trust Company, Cede & Co. and the operation of the book-entry system; and statements relating to the treatment of the Bonds, or the interest, discount or premium related thereto, for tax purposes under the law of any jurisdiction) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

During the period from the date of the Preliminary Official Statement and Official Statement to the date of this opinion, except for our review of the certificates and opinions regarding the

Preliminary Official Statement and Official Statement delivered on the date hereof, we have not undertaken any procedures or taken any actions which were intended or likely to elicit information concerning the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and Official Statement.

We are furnishing this opinion to you, in our capacity as disclosure counsel, solely for your benefit. This opinion is rendered in connection with the transaction described herein, and may not be relied upon by the addressees hereof for any other purpose. This opinion shall not extend to, and may not be used, circulated, quoted, or referred to, or relied upon by, any other person, firm, corporation or other entity without our prior written consent. Our engagement with respect to this matter terminates upon the delivery of this opinion to you at the time of the closing relating to the Bonds, and we have no obligation to update this opinion. This letter is not intended to, and may not, be relied upon by the holders of the Bonds.

Respectfully submitted,

RECORDING REQUESTED BY:
Ontario Public Financing Authority

AND WHEN RECORDED RETURN TO:
Stradling Yocca Carlson & Rauth LLP
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attention: Brian P. Forbath, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

ASSIGNMENT

by and between

ONTARIO PUBLIC FINANCING AUTHORITY

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION
as Trustee

Dated as of _____ 1, 2026

Relating to

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026C (FEDERALLY TAXABLE)

and

$_____
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS,
SERIES 2026D (TAX-EXEMPT)

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (this "**Assignment Agreement**"), executed and entered into as of _____ 1, 2026, is by and between the ONTARIO PUBLIC FINANCING AUTHORITY, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California (the "**Authority**"), and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as Trustee (the "**Trustee**").

RECITALS

A. The City of Ontario (the "**City**") and the Authority also desire to finance a portion of the costs of the acquisition, construction and/or installation of certain public improvements (collectively, the "**Project**").

B. In order to finance the Project, the City will lease certain real property and the improvements located thereon (the "**Property**") to the Authority pursuant to that certain Ground Lease, dated as of the date hereof (the "**Ground Lease**"), by and between the City and Authority, and the City will sublease the Property back from the Authority pursuant to that certain Lease Agreement, dated as of the date hereof (the "**Lease Agreement**"), by and between the City and the Authority.

C. The Property is more particularly described in Exhibit A hereto.

D. Under the Lease Agreement, the City is obligated to make Base Rental Payments (as such term is defined in the Lease Agreement) to the Authority.

E. The Authority desires to assign without recourse certain of its rights in the Ground Lease and the Lease Agreement, including its right to receive the Base Rental Payments, to the Trustee for the benefit of the owners of bonds (the "**Bonds**") to be issued pursuant to that certain Indenture, dated as of the date hereof (the "**Indenture**"), by and among the Authority, the City and the Trustee.

F. All acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Assignment Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1. Assignment. The Authority, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign and transfer to the Trustee, irrevocably and absolutely, without recourse, for the benefit of the owners of the Bonds, all of its right, title and interest in and to the Ground Lease and the Lease Agreement including, without limitation, its right to receive the Base Rental Payments to be paid by the City under and pursuant to the Lease Agreement; provided, however, that the Authority shall retain its obligations under the Lease

Agreement and Ground Lease, the rights to indemnification, to give approvals and consents under the Lease Agreement and the Ground Lease and to payment or reimbursement of its reasonable costs and expenses under the Lease Agreement.

Section 2. Acceptance. The Trustee hereby accepts the foregoing assignment, subject to the terms and provisions of the Indenture, and all such Base Rental Payments shall be applied and the rights so assigned shall be exercised by the Trustee as provided in the Lease Agreement and the Indenture.

Section 3. Conditions. This Assignment Agreement shall impose no obligations upon the Trustee beyond those expressly provided in the Indenture.

Section 4. Further Assurances. The Authority shall make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and for the better assuring and confirming to the Trustee, for the benefit of the owners of the Bonds, the rights intended to be conveyed pursuant hereto.

Section 5. Governing Law. THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED EXCLUSIVELY BY THE PROVISIONS HEREOF AND BY THE LAWS OF THE STATE OF CALIFORNIA AS THE SAME FROM TIME TO TIME EXIST.

Section 6. Execution. This Assignment Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Assignment Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above-written.

ONTARIO PUBLIC FINANCING AUTHORITY

By: _____
Scott Ochoa
Executive Director

ATTEST:

_____
Sheila Mautz
Secretary

[SIGNATURES CONTINUED ON NEXT PAGE.]

[SIGNATURE PAGE CONTINUED.]

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By: _____
Daren Di Nicola
Zions Bank Division

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____

SIGNATURE OF NOTARY PUBLIC

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____

SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF THE PROPERTY

- Professional Baseball Stadium (the "ONT Field") and associated Stadium Parking Structure
- Fire Station No. 1
- Civic Center Parking Structure

FORM OF CONTINUING DISCLOSURE CERTIFICATE

Upon issuance of the 2026 Bonds, the City proposes to enter into a Continuing Disclosure Certificate in substantially the following form:

This Continuing Disclosure Certificate (the "**Disclosure Certificate**") is executed and delivered by the City of Ontario (the "**City**") in connection with the issuance by the Ontario Public Financing Authority (the "**Authority**") of the Authority's Lease Revenue Bonds, Series 2026C (Federally Taxable) and Lease Revenue Bonds, Series 2026D (Tax-Exempt) (together, the "**Bonds**"). The Bonds are being issued pursuant to that certain Indenture, dated as of [June] 1, 2026 (the "**Indenture**"), by and among the City, the Authority and Zion's Bancorporation, National Association., as trustee. The City covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term "Annual Report" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term "Beneficial Owner" means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

EMMA. The term "EMMA" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at http://emma.msrb.org/.

Financial Obligation. The term "Financial Obligation" means a: (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Fiscal Year. The term "Fiscal Year" means the one-year period ending on the last day of June of each year.

Holder. The term "Holder" means a registered owner of the Bonds.

Listed Events. The term "Listed Events" means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

Official Statement. The term "Official Statement" means the Official Statement relating to the Bonds dated _____, 2026 delivered in connection with the issuance of the Bonds.

Participating Underwriter. The term "Participating Underwriter" means the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Rule. The term "Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The City shall provide not later than each April 1 following the end of its Fiscal Year (commencing April 1, 2027 with the Annual Report for Fiscal Year 2025-26) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the City is unable to provide to EMMA an Annual Report by the date required in subsection (a), the City shall send to EMMA in a timely manner a notice in substantially the manner prescribed by the Municipal Securities Rulemaking Board.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The audited financial statements of the City for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Principal amount of the Bonds outstanding.

(c) To the extent not already included in the City's audited financial statements, an update of the information substantially in the form of the following tables or captions in the Official Statement for the Fiscal Year prior to the filing of such Annual Report:

1. Table 2 – General Fund Statement of Revenues, Expenditures and Changes in Fund Balance;

2. Table 3 – General Fund Balance Sheet;

3. Table 4 – Assessed Valuation History;

4. Table 5 – Property Tax Levies and Collections; and

5. Information under the caption "CITY FINANCIAL INFORMATION—Other Indebtedness—General Fund Supported Debt" (provided that such information may be located in the notes to the City's audited financial statements).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission; provided that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further that the City shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the event:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

6. tender offers;

7. defeasances;

8. ratings changes;

9. bankruptcy, insolvency, receivership or similar proceedings; Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person; and

10. default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

2. modifications to the rights of Bondholders;

3. optional, unscheduled or contingent Bond calls;

4. release, substitution or sale of property securing repayment of the Bonds;

5. non-payment related defaults;

6. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

7. appointment of a successor or additional trustee or the change of the name of a trustee; and

8. incurrence of a Financial Obligation of the City, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders.

(c) If the City determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

6. Customarily Prepared and Public Information. Upon request, the City shall provide to any person financial information and operating data regarding the City which is customarily prepared by the City and is publicly available.

7. Termination of Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the City satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the City shall have refused to comply therewith within a reasonable time.

11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Authority, the City, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2026

CITY OF ONTARIO

By: _____
Its: City Manager

PRELIMINARY OFFICIAL STATEMENT DATED [_____], 2026

NEW ISSUE – BOOK-ENTRY ONLY

Ratings: S&P "[__]"
Fitch "[__]"
See the caption "RATINGS."

In the opinion of Stradling Yocca Carlson & Rauth LLP, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described in this Official Statement, interest (and original issue discount) on the 2026D Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. Further, in the opinion of Bond Counsel, interest on the 2026C Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. Additionally, in the opinion of Bond Counsel, interest (and original issue discount) on the 2026 Bonds is exempt from State of California personal income tax. See "TAX MATTERS" with respect to certain tax consequences relating to the 2026 Bonds, including with respect to the alternative minimum tax imposed on certain large corporations."

$100,000,000*
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026C
(FEDERALLY TAXABLE)

$230,000,000*
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026D
(TAX-EXEMPT)

Dated: Date of Delivery **Due: March 1, as shown on inside cover**

The Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable) (the "2026C Bonds") and the Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt) (the "2026D Bonds," and together with the 2026C Bonds, the "2026 Bonds") will be issued pursuant to that certain Indenture, dated as of [June] 1, 2026, by and among the City of Ontario (the "City"), the Ontario Public Financing Authority (the "Authority"), and Zions Bancorporation, National Association, as trustee ("Trustee"). The 2026 Bonds are payable from Base Rental Payments to be made by the City for the right to the use of certain real property pursuant to that certain Lease Agreement, dated as of [June] 1, 2026 (the "Lease Agreement"), by and between the City, as lessee, and the Authority, as lessor.

The 2026C Bonds are being issued to provide funds to (i) finance the acquisition and construction of capital projects of the City; and (ii) pay the costs of issuing the 2026C Bonds.

The 2026D Bonds are being issued to provide funds to (i) finance the acquisition and construction of capital projects of the City, and (ii) pay the costs of issuing the 2026D Bonds.

The City has covenanted under the Lease Agreement to take such action as may be necessary to include all Rental Payments (including Base Rental Payments and Additional Rental Payments) due thereunder as a separate line item in its annual budgets and to make necessary annual appropriations for all such Rental Payments. The City's obligation to make Base Rental Payments under the Lease Agreement is subject to abatement during any period in which by reason of material damage to, or destruction or condemnation of the Property, or any defect in title thereto, there is substantial interference with the use and occupancy by the City of the Property or any portion thereof.

The 2026 Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. Interest on the 2026 Bonds is payable semiannually on [September 1], 2026 and each March 1 and September 1 thereafter. Purchasers will not receive certificates representing their interest in the 2026 Bonds. Individual purchases will be in principal amounts of integral multiples of $5,000. Principal of and interest and premium, if any, on the 2026 Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the beneficial owners of the 2026 Bonds.

The Authority may issue Additional Bonds payable from Base Rental Payments. The 2026 Bonds and any Additional Bonds are collectively referred to herein as the "Bonds."

The 2026 Bonds are subject to redemption prior to maturity as described in this Official Statement. A reserve fund has not been established for the 2026 Bonds.

The 2026 Bonds are special obligations of the Authority, payable solely from the Base Rental Payments and the other assets pledged therefor under the Indenture. Neither the faith and credit nor the taxing power of the Authority, the City or the State of California, or any political subdivision thereof, is pledged to the payment of the 2026 Bonds. The Authority has no taxing power.

The obligation of the City to make Base Rental Payments does not constitute a debt of the City or the State of California or any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State of California is obligated to levy or pledge any form of taxation or for which the City or the State of California has levied or pledged any form of taxation.

The 2026 Bonds are not subject to acceleration in the event of a payment default.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The 2026 Bonds will be offered when, as and if issued and received by the Underwriter, subject to the approval as to their validity by Stradling Yocca Carlson & Rauth, LLP, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the City and the Authority by Best Best & Krieger LLP, Ontario, California, as City Attorney and General Counsel to the Authority. Best Best & Krieger LLP, Riverside, California, is acting as Disclosure Counsel. Certain legal matters will be passed upon for the Underwriter by Kutak Rock LLP, Irvine, California, as Underwriter's Counsel, and for the Trustee by its counsel. It is anticipated that the 2026 Bonds in definitive form will be available for delivery to DTC on or about _____, 2026.

Ramirez & Co., Inc.

Dated: _____, 2026

* Preliminary; subject to change.

MATURITY SCHEDULE*

BASE CUSIP®†:

100,000,000*
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026C
(FEDERALLY TAXABLE)

Maturity Date (March 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*CUSIP®† Suffix*

$___ _ % Term 2026C Bonds due March 1, 20__, Yield: _____%, Price: _____, CUSIP®† Suffix
$___ _ % Term 2026C Bonds due March 1, 20__, Yield: _____%, Price: _____, CUSIP®† Suffix
$___ _ % Term 2026C Bonds due March 1, 20__, Yield: _____%, Price: _____, CUSIP®† Suffix

* Preliminary; subject to change.

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$230,000,000*
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026D
(TAX-EXEMPT)

Maturity Date (March 1)	***Principal Amount***	***Interest Rate***	***Yield***	***Price***	***CUSIP®† Suffix***

$___ _ % Term 2026D Bonds due March 1, 20__, Yield: _____%, Price: _____, CUSIP®† Suffix
$___ _ % Term 2026D Bonds due March 1, 20__, Yield: _____%, Price: _____, CUSIP®† Suffix
$___ _ % Term 2026D Bonds due March 1, 20__, Yield: _____%, Price: _____, CUSIP®† Suffix

* Preliminary; subject to change.

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No dealer, broker, salesperson or other person has been authorized by the City or the Authority to give any information or to make any representations in connection with the offer or sale of the 2026 Bonds other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of the 2026 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or owners of the 2026 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described in this Official Statement, are intended solely as such and are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement and the information contained in this Official Statement are subject to completion or amendment without notice and neither delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the City or the Authority or any other parties described in this Official Statement since the date hereof. These securities may not be sold, nor may an offer to buy be accepted, prior to the time that the Official Statement is delivered in final form. This Official Statement is being submitted in connection with the sale of the 2026 Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "assume," "project," "budget," "intend" or similar words. Such forward-looking statements include, but are not limited to, certain statements contained under the captions "THE CITY" and "CITY FINANCIAL INFORMATION."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT. IN EVALUATING SUCH STATEMENTS, POTENTIAL INVESTORS SHOULD SPECIFICALLY CONSIDER THE VARIOUS FACTORS THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY SUCH FORWARD-LOOKING STATEMENTS.

THE 2026 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT AND HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains a website and certain social media accounts; however, information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2026 Bonds.

CITY OF ONTARIO
COUNTY OF SAN BERNARDINO
STATE OF CALIFORNIA

CITY COUNCIL AND AUTHORITY BOARD OF DIRECTORS

Paul S. Leon, Mayor and Authority Chair
Alan D. Wapner, Mayor Pro Tem and Authority Vice Chair
Jim W. Bowman, Councilmember and Authority Board Member
Debra Porada, Councilmember and Authority Board Member
Daisy Macias, Councilmember and Authority Board Member

STAFF

Scott Ochoa, City Manager and Authority Executive Director
James R. Milhiser, City Treasurer
Armen Harkalyan, Executive Director of Finance and Authority Treasurer
Doreen Nunes, Assistant Finance Director
Sheila Mautz, City Clerk and Authority Secretary

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Ontario, California

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Newport Beach, California

Disclosure Counsel

Best Best & Krieger LLP
Riverside, California

Municipal Advisor

Urban Futures, Inc.
Walnut Creek, California

Trustee

Zions Bancorporation, National Association
Los Angeles, California

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**$100,000,000*
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026C
(FEDERALLY TAXABLE)**

**$230,000,000*
ONTARIO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2026D
(TAX-EXEMPT)**

INTRODUCTION

General

This Official Statement, which includes the cover page and appendices (the "Official Statement"), provides certain information concerning the $100,000,000* Ontario Public Financing Authority Lease Revenue Bonds, Series 2026C (Federally Taxable) (the "2026C Bonds") and the $230,000,000* Ontario Public Financing Authority Lease Revenue Bonds, Series 2026D (Tax-Exempt) (the "2026D Bonds," and together with the 2026C Bonds, the "2026 Bonds"). The 2026 Bonds are being issued by the Ontario Public Financing Authority (the "Authority"), a joint exercise of powers agency, the members of which are the City of Ontario, California (the "City") and the Ontario Housing Authority (the "Housing Authority").

The 2026 Bonds will be issued pursuant to Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code, and that certain Indenture, dated as of [June] 1, 2026 (the "Indenture"), by and among the City, the Authority and Zions Bancorporation, National Association, as trustee (the "Trustee"). Additional Bonds may also be issued under the Indenture. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 Bonds—Additional Bonds."

The 2026 Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interest in the 2026 Bonds. Individual purchases will be in integral multiples of $5,000. Principal of and interest on the 2026 Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the beneficial owners of the 2026 Bonds. See the caption "THE 2026 BONDS—Book-Entry Only System."

The 2026 Bonds are subject to redemption prior to maturity as described under the caption "THE 2026 BONDS—Redemption."

The 2026C Bonds are being issued to provide funds to (i) finance the acquisition and construction of capital projects of the City (collectively, the "2026C Project"), as described under the caption "PLAN OF FINANCE—2026 Project;" and (ii) pay the costs of issuing the 2026C Bonds. See the caption "PLAN OF FINANCE."

The 2026D Bonds are being issued to provide funds to (i) finance the acquisition and construction of capital projects of the City (collectively, the "2026D Project" and together with the 2026C Project, the "2026 Project"), as described under the caption "PLAN OF FINANCE—2026 Project," and (ii) pay the costs of issuing the 2026D Bonds. See the caption "PLAN OF FINANCE."

Security for the 2026 Bonds; Base Rental Payments

Pursuant to that certain Ground Lease, dated as of [June] 1, 2026 (the "Ground Lease"), by and between the City, as lessor, and the Authority, as lessee, the City has leased certain real property of the City and the improvements thereon (collectively, the "Property") to the Authority in consideration for the Authority's assistance in issuing the 2026 Bonds.

Pursuant to that certain Lease Agreement, dated as of [June] 1, 2026 (the "Lease Agreement"), by and between the City, as lessee, and the Authority, as lessor, the Authority has subleased the Property back to the

* Preliminary; subject to change.

City in consideration for the City's payment of semiannual lease payments (the "Base Rental Payments") to be made by the City for the right to use the Property as sublessee.

See the caption "THE PROPERTY" for a description of the Property.

Under that certain Assignment Agreement, dated as of [June] 1, 2026 (the "Assignment Agreement"), by and between the Authority and the Trustee, the Authority has assigned to the Trustee for the benefit of the 2026 Bond Owners substantially all of the Authority's right, title and interest in and to the Lease Agreement, including its right to receive the Base Rental Payments due under the Lease Agreement and to enforce any remedies in the event of a default by the City.

The City has covenanted under the Lease Agreement to take such action as may be necessary to include all Rental Payments (including the Base Rental Payments and Additional Rental Payments) due thereunder as a separate line item in its annual budgets and to make necessary annual appropriations for all such Rental Payments. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Additional Rental Payments" for a description of Additional Rental Payments.

During any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the City's right to use and occupy any portion of the Property, Rental Payments will be abated proportionately, and the City waives the benefits of Civil Code Sections 1932(1), 1932(2) and 1933(4) and any and all other rights to terminate the Lease Agreement by virtue of any such interference, and the Lease Agreement will continue in full force and effect. The amount of such abatement will be agreed upon by the City and the Authority; provided, however, that the Rental Payments due for any Rental Period may not exceed the annual fair rental value of that portion of the Property available for use and occupancy by the City during such Rental Period. See the captions "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Abatement" and "RISK FACTORS—Abatement."

Limited Obligation

THE 2026 BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM THE BASE RENTAL PAYMENTS AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY OR THE STATE OF CALIFORNIA (THE "STATE"), OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE 2026 BONDS. THE AUTHORITY HAS NO TAXING POWER.

THE OBLIGATION OF THE CITY TO MAKE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Additional Bonds

Under the Lease Agreement, the Authority may issue additional bonds (the "Additional Bonds") payable from Base Rental Payments on a parity basis with the 2026 Bonds. The 2026 Bonds and any Additional Bonds are collectively referred to in this Official Statement as the "Bonds." See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Additional Bonds."

The City

See the captions "THE CITY" and "CITY FINANCIAL INFORMATION," as well as Appendices A and C for information with respect to the City and the General Fund, including other obligations which are payable from general revenues of the City.

Continuing Disclosure

The City has agreed to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for purposes of Securities and Exchange Commission Rule 15c2-12 certain annual financial information and operating data and, in a timely manner, notice of certain listed events. See the caption "CONTINUING DISCLOSURE."

Risk Factors

Certain events could affect the ability of the City to make the Base Rental Payments when due. See the caption "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters that are set forth in this Official Statement, in evaluating an investment in the 2026 Bonds.

Summaries Not Definitive

The summaries of and references to documents, statutes, reports and other instruments in this Official Statement do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by the complete document, statute, report or instrument. The capitalization of any word that is not conventionally capitalized, or otherwise defined in this Official Statement, indicates that such word is defined in a particular agreement or other document and, as has the meaning that is given to such word in Appendix B. Copies of the documents described in this Official Statement will be available at the City of Ontario, 303 East B Street, Ontario, California 91764, Attention: Finance Department.

PLAN OF FINANCE

2026 Project

The 2026 Project is comprised of the City's capital improvements for the Fiscal Years 2025-26 and 2026-27. Many of the improvements will relate to the Ontario Sports Empire, which is currently under construction and expected to be completed in 2026. The Ontario Sports Empire is a 200-acre sports and entertainment complex designed to attract 1.2 million visitors annually. The facility will feature a 6,000 seat Professional Baseball stadium hosting the new Los Angeles Dodgers single-A team, the Ontario Tower Buzzers. The development includes a stadium village with restaurants, entertainment venues, parking structures and a hotel (for a discussion on certain voter initiatives that affect hotels, see "CITY FINANCIAL INFORMATION – Economic Development in the City," herein), as well as professional-quality soccer, baseball, and softball fields. Additionally, the complex will include a state-of-the-art youth sports training facility.

Upon or after completion of the 2026 Project, the City may reevaluate the pool of leased assets that is described under the caption "THE PROPERTY" and substitute the properties that comprise the 2026 Project for certain properties that currently comprise the Property. There can be no assurance as to whether or when any such substitution will occur, or as to which properties may be substituted out from the current pool of Property. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Substitution or Release of, or Addition to, the Property."

Estimated Sources and Uses of Funds

The estimated sources and uses of funds with respect to the 2026 Bonds are shown below.

Sources[1]:	***2026C Bonds***	***2026D Bonds***	***Total***
Principal Amount			
Plus Original Issue Premium			
Total Sources			
Uses[1]:			
Deposit to Project Fund			
Costs of Issuance[2]			
Total Uses			

(1) All amounts rounded to the nearest dollar. Totals may not add due to rounding.
(2) Includes Underwriter's discount and certain legal, municipal advisory, rating agency, printing and other financing-related costs.

THE PROPERTY

General

The Property constitutes the land and structures comprising the footprint of ONT Field, the footprint of the ONT Field Parking Structure, the City's Fire Station No. 1, and the Civic Center Parking Structure.

Professional Baseball Stadium ("ONT Field"). ONT Field is a brand-new, state-of-the-art 6,500-capacity professional baseball stadium that opened in March 2026. The stadium is located on approximately 10.13 acres at Riverside Drive and Vineyard Avenue, just south of the State Route 60 freeway. ONT Field serves as the home of the Ontario Tower Buzzers, the Los Angeles Dodgers' Single-A affiliate in the California League, bringing more professional baseball and year-round entertainment to the region. The venue is named after the Ontario International Airport and features an aviation-themed design. Designed with modern amenities and a variety of seating experiences, from traditional fixed seats to premium hospitality areas, a grass berm, and unique terraced views. The stadium also includes a kids' zone with a splash pad and features more than 75,000 square feet of food and beverage options. ONT field is expected to host concerts, festivals, races, and other community events, making it a versatile venue for various activities. The Property includes only the physical footprint of ONT Field itself, and not the surrounding real property or other development. The insured replacement value of ONT Field's footprint was valued by the City at $222,000,000.

Stadium Parking Structure. The stadium parking structure is a new 3-level, 1,000-space parking structure on 4.27 acres providing parking for the adjacent ONT Field, other Ontario Sports Empire fields, and community spaces. The Property includes only the physical footprint of the stadium parking structure itself, and not the surrounding real property or other development. The insured replacement value of the stadium parking structure's footprint was valued by the City at $18,000,000.

Fire Station No. 1. Fire Station No. 1 is a new 2-story fire station is located in Downtown Ontario at the Northwest corner of D Street and Sultana Avenue and replaces the existing Fire Station No. 1 on East B Street. The 27,835 square foot fire station is oriented towards the public streets, with six fire engine bays running the length of the façade on East D Street and an additional six bays at the rear of the building providing drive-through access. The facility includes administrative offices, conference rooms, several dorms, locker rooms, and spaces for exercise and recreation. The insured replacement value of Fire Station No. 1 was valued by the City at $30,000,000.

Civic Center Parking Structure. The Civic Center Parking Structure is a new 6-level parking structure which added more than 300,000 square feet and 821 spaces to support City Hall, the Civic Center, nearby residents, and future community activity. The structure incorporates several modern features, including a rooftop

photovoltaic (PV) solar array, an advanced parking guidance system using red/green indicators, and 48 EV charging stations, with conduit for future expansion. The garage is accessible via drive aisles connected to Sultana Avenue, C Street, and B Street. The insured replacement value of the Civic Center Parking Structure was valued by the City at $32,648,166.

The City has the right to substitute or release all or portion of the Property subject to certain conditions precedent. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Substitution or Release of the Property."

Upon or after completion of the 2026 Project, the City expects to evaluate the pool of leased assets that are described above and may substitute the properties that comprise the 2026 Project for certain properties that currently comprise the Property. There can be no assurance as to whether or when any such substitution will occur, or as to which properties may be substituted out from the current pool of Property. See the caption "PLAN OF FINANCE - 2026 Project."

BASE RENTAL PAYMENT SCHEDULE

Set forth below is a schedule of Base Rental Payments, which secure the 2026 Bonds, assuming no optional or extraordinary prepayments.

	2026C Base Rental Payments			2026D Base Rental Payments			
Base Rental Payment Date[1]	Principal	Interest	Total 2026C Base Rental Payments	Principal	Interest	Total 2026D Base Rental Payments	Total Base Rental Payments

[1] The Base Rental Payment Date is the fifth Business Day prior to the date shown.
Source: Underwriter.

THE 2026 BONDS

General

The 2026 Bonds will be issued in fully registered form without coupons in denominations of integral multiples of $5,000. The 2026 Bonds will be dated as of and bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) from the dated date thereof at the rates set forth on the inside cover page. Interest on the 2026 Bonds will be paid semiannually on [September] 1, 2026 and each March 1 and September 1 thereafter (each, an "Interest Payment Date").

Interest on the 2026 Bonds will be payable semi-annually calculated based on a 360-day year of twelve thirty-day months on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the fifteenth day of the month preceding each Interest Payment Date (each, a "Record Date"), such interest to be paid by check of the Trustee mailed by first class mail to the Owner at the address of such Owner as its appears on the Registration Books; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of 2026 Bonds in the aggregate principal amount of $1,000,000 or more who will furnish written wire instructions to the Trustee at least five days before the applicable Record Date. Principal of any 2026 Bond and any premium upon redemption will be paid by check of the Trustee upon presentation and surrender thereof at the Office of the Trustee. Principal of and interest and premium (if any) on the 2026 Bonds will be payable in lawful money of the United States of America.

Each 2026 Bond will be dated as of the Closing Date, and will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless: (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date; or (b) unless it is authenticated on or before August 15, 2026, in which event it will bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any 2026 Bond, interest thereon is in default, such 2026 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Registration, Transfers and Exchanges

The 2026 Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the 2026 Bonds (the "Beneficial Owners") in the denominations set forth above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants (as defined in Appendix F) as described in this Official Statement. Beneficial Owners will not be entitled to receive physical delivery of the 2026 Bonds. See the caption "—Book-Entry Only System."

In the event that the book-entry system that is described herein is discontinued, the 2026 Bonds will be printed and delivered as provided in the Indenture. Thereafter, any 2026 Bond may, in accordance with its terms, be transferred upon the Registration Books by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2026 Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Whenever any 2026 Bond or Bonds shall be surrendered for transfer, the Authority will execute and the Trustee will authenticate and deliver a new 2026 Bond or Bonds in a like aggregate principal amount, in any Authorized Denomination. The Trustee will require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

The 2026 Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of 2026 Bonds of other authorized denominations. The Trustee will require the payment by the 2026 Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee is not obligated to make any transfer or exchange of 2026 Bonds pursuant to the Indenture during the period established by the Trustee for the selection of 2026 Bonds for redemption, or with respect to any 2026 Bonds selected for redemption.

Redemption*

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. The Series 2026 Bonds shall be subject to redemption, in whole or in part, on any date as directed by the City in a written request provided to the Trustee not less than 30 days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to such date, in Authorized Denominations, from and to the extent of any Net Insurance Proceeds or proceeds of condemnation received with respect to all or a portion of the Property, deposited by the Trustee in the Redemption Fund pursuant to the Indenture, at a Redemption Price equal to the principal amount of the Series 2026 Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Optional Redemption. The Series 2026C Bonds maturing on or after March 1, 20__, shall be subject to optional redemption, in whole or in part, on March 1, 20__ or any date thereafter, as directed by the City in a written request provided to the Trustee not less than 30 days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to such date, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2026C Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

The Series 2026D Bonds maturing on or after March 1, 20__, shall be subject to optional redemption, in whole or in part, on March 1, 20__ or any date thereafter, as directed by the City in a written request provided to the Trustee not less than 30 days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to such date, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2026D Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The Series 2026C Bonds with stated maturities on March 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each March 1 on and after March 1, 20__, in integral multiples of $5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (March 1)	***Principal Amount***
†	

† Final Maturity.

The Series 2026D Bonds with stated maturities on March 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each March 1 on and after March 1, 20__, in integral multiples of $5,000 at a Redemption Price of the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

* Preliminary; subject to change.

Redemption Date (March 1)	***Principal Amount***
†	

† Final Maturity.

If, during the Fiscal Year immediately preceding one of the redemption dates specified above, the Authority purchases 2026 Bonds, at least 45 days prior to the redemption date, the Authority shall notify the Trustee as to the principal amount purchased and the amount of 2026 Bonds so purchased shall be credited at the time of purchase, to the extent of the full principal amount thereof, to reduce such upcoming mandatory sinking fund redemption payment for the 2026 Bonds so purchased. All Series 2026 Bonds purchased pursuant to the Indenture shall be cancelled.

In the event of an extraordinary or optional redemption or in the event of the purchase of Series 2026 Bonds, the City shall provide the Trustee with a revised mandatory sinking fund schedule giving effect to the redemption so completed.

Selection of Bonds for Redemption. Whenever provision is made for the redemption of less than all of the 2026 Bonds, the Trustee shall select the 2026 Bonds to be redeemed from all 2026 Bonds not previously called for redemption: (a) with respect to any optional redemption of 2026 Bonds of a Series, among maturities of 2026 Bonds of such Series as directed in a Written Request of the Authority; (b) with respect to any extraordinary redemption and the corresponding provision of any Supplemental Indenture pursuant to which Additional Bonds are issued, among maturities of all Series of 2026 Bonds on a pro rata basis as nearly as practicable; and (c) with respect to any other redemption of Additional Bonds, among maturities as provided in the Supplemental Indenture pursuant to which such Additional Bonds are issued, and by lot among 2026 Bonds of the same Series with the same maturity in any manner which the Trustee in its sole discretion shall deem appropriate and fair. For purposes of such selection, all 2026 Bonds shall be deemed to be comprised of separate $5,000 denominations and such separate denominations shall be treated as separate 2026 Bonds which may be separately redeemed.

Notice of Redemption. The Trustee on behalf and at the expense of the Authority shall mail (by first class mail) notice of any redemption to the respective Owners of any 2026 Bonds designated for redemption at their respective addresses appearing on the Registration Books, to the Securities Depositories and to one or more Information Services, at least 20 but not more than 60 days prior to the date fixed for redemption. Such notice shall state the date of the notice, the redemption date, the redemption place and the Redemption Price and shall designate the CUSIP numbers, the 2026 Bond numbers and the maturity or maturities (except in the event of redemption of all of the 2026 Bonds of such maturity or maturities in whole) of the 2026 Bonds to be redeemed, and shall require that such 2026 Bonds be then surrendered at the Office of the Trustee for redemption, giving notice also that further interest on such 2026 Bonds will not accrue from and after the date fixed for redemption. Such notice may state that such redemption is conditioned upon sufficient funds being on deposit on the redemption date to redeem the 2026 Bonds so called for redemption. Such notice of redemption may also state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the 2026 Bonds. Neither the failure to receive any notice so given, nor any defect in such notice, shall affect the validity of the proceedings for the redemption of the 2026 Bonds or the cessation of accrual of interest thereon from and after the date fixed for redemption.

With respect to any notice of optional redemption of the 2026 Bonds, such notice may state that such redemption shall be conditional upon the receipt by the Trustee, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of, premium if any, and interest on the 2026 Bonds to be redeemed and upon other conditions set forth therein and that, if such money shall not have been so received or such other conditions shall not have been satisfied, said notice shall be of no force and effect and the Trustee shall not be

required to redeem such 2026 Bonds. If any condition stated in the redemption notice for an optional redemption shall not have been satisfied on or prior to the redemption date: (i) the redemption notice shall be of no force and effect, (ii) the Authority shall not be required to redeem such 2026 Bonds, (iii) the redemption shall not be made, and (iv) the Trustee shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

Partial Redemption of Bonds. Upon surrender of any 2026 Bonds redeemed in part only, the Authority will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Authority, a new 2026 Bond of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2026 Bonds surrendered.

Effect of Notice of Redemption. Notice having been given as provided in the Indenture, and moneys for the redemption, and the interest to the applicable date fixed for redemption, having been set aside in the Redemption Fund, the 2026 Bonds shall become due and payable on said date, and, upon presentation and surrender thereof at the Office of the Trustee, said 2026 Bonds shall be paid at the redemption price thereof, together with interest accrued and unpaid to said date.

If, on the date fixed for redemption, moneys for the redemption price of all the 2026 Bonds to be redeemed, together with interest to said date, shall be held by the Trustee so as to be available therefor on such date, and, if notice of redemption thereof shall have been given as aforesaid and not canceled, then, from and after said date, interest on said 2026 Bonds shall cease to accrue and become payable. All moneys held by or on behalf of the Trustee for the redemption of 2026 Bonds shall be held in trust for the account of the Owners of the 2026 Bonds so to be redeemed without liability to such Owners for interest thereon. All 2026 Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of the Indenture shall be canceled upon surrender thereof and destroyed.

Book-Entry Only System

The 2026 Bonds are registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the 2026 Bonds. Ownership interests in the 2026 Bonds may be purchased in book-entry form only. So long as DTC, or Cede & Co. as its nominee, is the registered owner of all 2026 Bonds, all payments on the 2026 Bonds will be made directly to DTC, and disbursement of such payments to the DTC Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Participants, as more fully described in Appendix F.

As long as Cede & Co. is the registered owner of the 2026 Bonds, references herein to the Owners of the 2026 Bonds will refer to Cede & Co. and not to the Beneficial Owners. Neither the Authority nor the City gives any assurance that DTC, DTC Participants nor others will distribute payments with respect to the 2026 Bonds or notices concerning the 2026 Bonds to the Beneficial Owners or that DTC will otherwise serve and act in the manner described in this Official Statement. See Appendix F for a further description of DTC and its book-entry system. The information presented therein is based solely on information provided by DTC.

SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS

Pledge of Base Rental Payments

Subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Base Rental Payments and any other amounts (including proceeds of the sale of the 2026 Bonds) held in the Base Rental Payment Fund, the Interest Fund, the Principal Fund, and the Redemption Fund have been pledged to secure the payment of the principal of, premium, if any, and interest on the Bonds in accordance with their terms, the provisions of the Indenture, and the Act. Such pledge constitutes a first lien on such assets.

All obligations of the Authority under the Indenture will be special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged therefor thereunder. Neither the faith and credit nor the taxing power of the Authority, the City or the State, or any political subdivision thereof, is pledged to the payment of the Bonds.

Under the Assignment Agreement, the Authority has assigned to the Trustee for the benefit of the 2026 Bond Owners substantially all of the Authority's right, title and interest in and to the Lease Agreement, including its right to receive the Base Rental Payments due under the Lease Agreement and to enforce any remedies in the event of a default by the City. The City will pay Base Rental Payments directly to the Trustee, as assignee of the Authority. See the caption "—Base Rental Payments."

The Trustee will establish and maintain separate funds designated the "Base Rental Payment Fund," the "Interest Fund," the "Principal Fund," the "Redemption Fund," and the "Net Insurance Proceeds Fund."

All Base Rental Payments will be paid directly by the City to the Trustee, and if received by the Authority at any time will be transferred by the Authority with the Trustee within one Business Day after the receipt thereof. All Base Rental Payments received by the Trustee will be deposited by the Trustee in the Base Rental Payment Fund.

The Trustee will transfer the amounts on deposit in the Base Rental Payment Fund, at the times and in the manner provided in the Indenture, to the following respective funds:

(i) Interest Fund. On the Business Day immediately preceding each Interest Payment Date, the Trustee will transfer from the Base Rental Payment Fund to the Interest Fund the amount, if any, necessary to cause the amount on deposit in the Interest Fund to be equal to the interest due on the Bonds on such Interest Payment Date.

(ii) Principal Fund. On the Business Day immediately preceding each March 1, the Trustee will transfer from the Base Rental Payment Fund to the Principal Fund the amount, if any, necessary to cause the amount on deposit in the Principal Fund to be equal to the principal amount of the Bonds due on such March 1 either as a result of the maturity thereof or mandatory sinking fund redemption payments required to be made with respect thereto. Moneys in the Principal Fund will be used by the Trustee for the purpose of paying the principal of the Bonds when due and payable at their maturity dates or upon earlier mandatory sinking fund redemption.

(iii) Redemption Fund. The Trustee, on the redemption date specified in the Written Request of the City filed with the Trustee at the time that any prepaid Base Rental Payment is paid to the Trustee pursuant to the Lease Agreement, will deposit in the Redemption Fund that amount of moneys representing the portion of the Base Rental Payments designated as prepaid Base Rental Payments. Additionally, the Trustee will deposit in the Redemption Fund any amounts required to be deposited therein constituting Net Insurance Proceeds. Moneys in the Redemption Fund will be used by the Trustee for the purpose of paying the principal of and interest and premium, if any, on 2026 Bonds redeemed pursuant to the provisions of the Indenture and Additional Bonds redeemed pursuant to the corresponding provisions of the Supplemental Indenture pursuant to which such Additional Bonds are issued; provided, however, that moneys deposited in the Redemption Fund may also be used to purchase Outstanding Bonds in the manner provided in the Indenture. Purchases of Outstanding Bonds may be made by the Authority at public or private sale as and when and at such prices as the Authority may in its discretion determine, but only at prices (including brokerage or other expenses) not more than par plus accrued interest, plus, in the case of moneys set aside for an optional redemption or an extraordinary redemption, the premium applicable at the next following call date according to the premium schedule established pursuant to the Indenture, as applicable. Any accrued interest payable upon the purchase of Bonds may be paid from the amount reserved in the Interest Fund.

Application of Net Proceeds of Insurance or Condemnation.

If the Property or any portion thereof shall be damaged or destroy, the City shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair or replacement thereof, unless the City elects not to repair or replace the Property or the affected portion thereof in accordance with the Indenture.

The Net Insurance Proceeds (other than Net Insurance Proceeds of rental interruption insurance), including the proceeds of any self-insurance, received on account of any damage or destruction of the Property or a portion thereof shall as soon as possible be deposited with the Trustee and be held by the Trustee in the Net Insurance Proceeds Fund and made available for and, to the extent necessary, shall be applied to the cost of repair or replacement of the Property or the affected portion thereof upon receipt of a Written Request of the City, together with invoices therefor. Each such Written Request of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. Pending such application, such proceeds may be invested by the Trustee as directed by the City in Permitted Investments that mature not later than such times moneys are expected to be needed to pay such costs of repair or replacement.

Notwithstanding the foregoing, the City shall, within 60 days of the occurrence of the event of damage or destruction, notify the Trustee in writing as to whether the City intends to replace or repair the Property or the portions of the Property which were damaged or destroyed. If the City does intend to replace or repair the Property or portions thereof, the City shall deposit with the Trustee the full amount of any insurance deductible to be credited to the Net Insurance Proceeds Fund.

In the event of any damage to or destruction of the Property caused by one of the perils covered by the insurance required by the Lease Agreement which would result in an abatement of rental payments or any portion thereof under the Lease Agreement, then the City shall apply the Net Insurance Proceeds, together with other legally available funds that the City elects to contribute, to the repair, reconstruction or replacement of the damaged or destroyed portions of the Property; provided, however, that the City shall not be required to repair or replace any portion of the Property under the Indenture if such Net Insurance Proceeds, together with any other amounts held under the Indenture and any other legally available funds made available by the City at its election, are sufficient to prepay: (i) all of the Outstanding Bonds; or (ii) a portion of the Outstanding Bonds such that the resulting Base Rental Payments due under the Lease Agreement in any Rental Period following such partial prepayment are sufficient to pay in such Rental Period the principal of and interest on all Bonds to remain Outstanding immediately after such partial redemption. If the City is not required to replace or repair the Property, or the affected portion thereof, or to use such amounts to redeem Bonds, in each case as set forth in the Indenture, then such proceeds shall, if there is first delivered to the Trustee a Written Certificate of the City to the effect that the annual fair rental value of the Property after such damage or destruction, and after any repairs or replacements made as a result of such damage or destruction, is at least equal to 100% of the maximum amount of Base Rental Payments becoming due under the Lease Agreement in the then current Rental Period or any subsequent Rental Period and the fair replacement value of the Property after such damage or destruction is at least equal to the principal amount of the Outstanding Bonds, be paid to the City to be used for any lawful purpose.

The proceeds of any award in eminent domain received in respect to the Property shall be deposited by the Trustee in the Redemption Fund and applied to the redemption of Bonds pursuant to the Indenture and the corresponding provisions of any Supplemental Indenture pursuant to which Additional Bonds are issued.

Notwithstanding anything in the Indenture or in the 2026 Bonds, the Authority is not required to advance any moneys derived from any source other than the Base Rental Payments and other assets pledged under the Indenture for any of the purposes of the Indenture, whether for the payment of the principal of or interest on the 2026 Bonds or for any other purpose of the Indenture. Nevertheless, the Authority may, but is not required to, advance for any of the purposes of the Indenture any funds of the Authority which may be made available to it for such purposes.

THE 2026 BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM THE BASE RENTAL PAYMENTS AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE 2026 BONDS. THE AUTHORITY HAS NO TAXING POWER.

Title Insurance

Proceeds of any policy of title insurance received by the Trustee in respect of the Property shall be applied and disbursed by the Trustee as follows: (a) if the City determines that the title defect giving rise to such proceeds has not substantially interfered with its use and occupancy of the Property and will not result in an abatement of Rental Payments payable by the City under the Lease Agreement, such proceeds shall be remitted to the City upon written direction from the City and used for any lawful purpose thereof; or (b) if the City determines that the title defect giving rise to such proceeds has substantially interfered with its use and occupancy of the Property and will result in an abatement of Rental Payments payable by the City under the Lease Agreement, then the Trustee shall immediately deposit such proceeds in the Redemption Fund and such proceeds shall be applied to the redemption of Bonds in the manner provided in the Indenture and the corresponding provisions of any Supplemental Indenture pursuant to which Additional Bonds are issued, as directed in writing by the City.

Additional Bonds

The Authority may at any time issue one or more Series of Additional Bonds (in addition to the 2026 Bonds) payable from Base Rental Payments as provided in the Indenture on a parity with all other Bonds theretofore issued thereunder, but only subject to the following conditions, which have been made conditions precedent to the issuance of such Additional Bonds:

(a) The issuance of such Additional Bonds has been authorized under and pursuant to the Indenture and has been provided for by a Supplemental Indenture which specifies the following:

(1) The application of the proceeds of the sale of such Additional Bonds;

(2) The principal amount and designation of such Series of Additional Bonds and the denomination or denominations of the Additional Bonds;

(3) The date, the maturity date or dates, the interest payment dates and the dates on which mandatory sinking fund redemptions, if any, are to be made for such Additional Bonds; provided, however, that: (i) the serial Bonds of such Series of Additional Bonds will be payable as to principal annually on March 1 of each year in which principal falls due, and the term Bonds of such Series of Additional Bonds will have annual mandatory sinking fund redemptions on March 1; (ii) the Additional Bonds will be payable as to interest semiannually on March 1 and September 1 of each year, except that the first installment of interest may be payable on either March 1 or September 1 and will be for a period of not longer than twelve months and the interest will be payable thereafter semiannually on March 1 and September 1; and (iii) serial maturities of serial Bonds or mandatory sinking fund redemptions for term Bonds, or any combination thereof, will be established to provide for the redemption or payment of such Additional Bonds on or before their respective maturity dates;

(4) The redemption premiums and terms, if any, for such Additional Bonds;

(5) The form of such Additional Bonds; and

(6) Such other provisions that are appropriate or necessary and are not inconsistent with the provisions of the Indenture;

(b) The Authority is in compliance with all agreements, conditions, covenants and terms contained in the Indenture, in the Lease Agreement and in the Ground Lease required to be observed or performed by it;

(c) The City is in compliance with all agreements, conditions, covenants and terms contained in the Indenture, in the Lease Agreement and in the Ground Lease required to be observed or performed by it; and

(d) The Ground Lease has been amended, to the extent necessary, and the Lease Agreement has been amended so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal of and interest on such Additional Bonds, payable at such times and in such manner as may be necessary to provide for the payment of the principal of and interest on such Additional Bonds; provided, however, that no such amendment will be made such that the sum of Base Rental Payments, including any increase in the Base Rental Payments as a result of such amendment, plus Additional Rental Payments, in any Rental Period is in excess of the annual fair rental value of the Property after taking into account the use of the proceeds of any Additional Bonds issued in connection therewith (evidence of the satisfaction of such condition will be made by a Written Certificate of the City).

Nothing contained in the Indenture limits the issuance of any bonds or other obligations payable from Base Rental Payments if, after the issuance and delivery of such bonds or other obligations, none of the Bonds theretofore issued thereunder will be Outstanding.

Base Rental Payments

General. In consideration of the lease and leaseback by the Authority of the Property and in consideration of the issuance of the 2026 Bonds by the Authority for the purpose of financing the 2026 Project, and subject to the provisions of the Lease Agreement relating to condemnation or damage (as described under the caption "—Abatement," the City has agreed to pay to the Authority, its successors and assigns, as rental for the use and occupancy of the Property during each Fiscal Year, the Base Rental Payments (denominated into components of principal and interest) for the Property in the respective amounts specified in the Lease Agreement, to be due and payable each respective Base Rental Payment Date specified in the Lease Agreement. Rental Payments, including Base Rental Payments, will be paid by the City to the Authority for and in consideration of the right to use and occupy the Lease and in consideration of the continued right to the quiet use and enjoyment thereof during each Rental Period for which such Rental Payments are to be paid.

Fair Rental Value. The City and the Authority have agreed and determined that the annual fair rental value of the Property is not less than the maximum annual Rental Payments due in any year. In making such determination of fair rental value, consideration has been given to the uses and purposes that may be served by the Property and the benefits therefrom which will accrue to the City and the general public. Payments of the Rental Payments for the Property during each Rental Period will constitute the total rental for said Rental Period.

Covenant to Budget and Appropriate. The City has covenanted to take such action as may be necessary to include all Rental Payments due under the Lease Agreement as a separate line item in its annual budgets and to make necessary annual appropriations for all such Rental Payments. The covenants on the part of the City contained in the Lease Agreement will be deemed to be and will be construed to be duties imposed by law and it is the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in the Lease Agreement agreed to be carried out and performed by the City.

Limited Obligation. The obligation of the City to pay Base Rental Payments and other payments under the Lease Agreement constitutes a current expense of the City and will not in any way be construed to be a debt of the City in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the City, nor does anything contained in the Lease Agreement constitute a pledge of the general tax revenues, funds or moneys of the City. Base Rental Payments due under the Lease Agreement will be payable only from current funds which are budgeted and appropriated, or otherwise legally available, for the purpose of paying Base Rental Payments or other payments due thereunder as consideration for use of the Property during the Fiscal Year for which such funds were budgeted and appropriated or otherwise made legally available for such purpose. The Lease Agreement will not create an immediate indebtedness for any aggregate payments which may become due thereunder. The City has not pledged the full faith and credit of the City, the

State or any agency or department thereof to the payment of the Base Rental Payments or any other payments due under the Lease Agreement, the 2026 Bonds or the interest thereon.

THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR OF THE STATE, OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Additional Rental Payments

In addition to the Base Rental Payments, the City will pay when due the following items of Additional Rental Payments:

(a) all taxes and assessments of any type or nature charged to the Authority or the City or affecting the Property or the respective interests or estates of the Authority or the City therein;

(b) all reasonable administrative costs of the Authority relating to the Property including, but without limiting the generality of the foregoing, salaries, wages, fees and expenses, compensation and indemnification of the Trustee payable by the Authority under the Indenture, fees of auditors, accountants, attorneys or engineers, and all other necessary and reasonable administrative costs of the Authority or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Indenture or the Lease Agreement or to defend the Authority and its members, officers, agents and employees;

(c) insurance premiums for all insurance required pursuant to the Lease Agreement;

(d) any amounts with respect to the Lease Agreement or the Bonds required to be rebated to the federal government in accordance with Section 148(f) of the Code; and

(e) all other payments required to be paid by the City under the provisions of the Lease Agreement or the Indenture.

Amounts constituting Additional Rental Payments payable under the Lease Agreement will be paid by the City directly to the person or persons to whom such amounts are payable. The City will pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Trustee to the City stating the amount of Additional Rental Payments then due and payable and the purpose thereof.

Abatement

Except as otherwise specifically provided in the Lease Agreement, during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the City's right to use and occupy any portion of the Property, Rental Payments will be abated proportionately, and the City waives the benefits of Civil Code Sections 1932(1), 1932(2) and 1933(4) and any and all other rights to terminate the Lease Agreement by virtue of any such interference, and the Lease Agreement will continue in full force and effect. The amount of such abatement will be agreed upon by the City and the Authority; provided, however, that the Rental Payments due for any Rental Period may not exceed the annual fair rental value of that portion of the Property available for use and occupancy by the City during such Rental Period. The City and the Authority will calculate such abatement and provide the Trustee with a certificate setting forth such calculation and the basis therefor. Such abatement will continue for the period commencing with the date of interference resulting from such damage, destruction, condemnation or title defect and, with respect to damage to or destruction of the Property, ending with the substantial completion of the work of repair or replacement of the Property, or the portion thereof so damaged or destroyed;

and the term of the Lease Agreement will be extended as provided therein, except that the term will in no event be extended beyond the Maximum Lease Term.

Notwithstanding the foregoing, to the extent that moneys are available for the payment of Rental Payments in any of the funds and accounts established under the Indenture, Rental Payments will not be abated as provided above but, rather, will be payable by the City as a special obligation payable solely from said funds and accounts.

See the caption "RISK FACTORS—Abatement."

Substitution, Release of or Addition to the Property

The City shall have the right to substitute alternate real property for any portion of the Property or to release a portion of the Property from this Lease Agreement or to add additional property to the encumbrance of this Lease Agreement. All costs and expenses incurred in connection with such substitution or release or addition will be borne by the City. Notwithstanding any substitution or release of the Property pursuant to the Lease Agreement, there will be no reduction in or abatement of the Base Rental Payments due from the City thereunder as a result of such substitution or release or addition. Any such substitution or release of, or addition to, any portion of the Property is subject to the following specific conditions, which have been made conditions precedent to such substitution, release or addition:

(a) The City has delivered a certificate to the Trustee setting forth its findings that the Property, as constituted after such substitution or release or addition: (i) has an annual fair rental value at least equal to the maximum Base Rental Payments payable by the City in any Rental Period; and (ii) has a useful life in excess of the final maturity of any Outstanding Bonds;

(b) With respect to any substitution or added Property, the City has obtained or caused to be obtained a CLTA or ALTA title insurance policy or policies with respect to the Property (as such term will be defined after such substitution or addition) that when taken together with other title insurance policies covering the Property, will be in the amount at least equal to the aggregate principal amount of any Outstanding Bonds of the type and with the endorsements described in the Lease Agreement; and

(c) the City, the Authority and the Trustee shall have executed, and the City shall have caused to be recorded with the San Bernardino County Recorder, any document necessary to reconvey to the City the portion of the Property being released and to include any substituted or added real property in the description of the Property contained in the Lease Agreement and in the Ground Lease.

Action on Default

Should the City default under the Lease Agreement, the Trustee, as assignee of the Authority under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the City, or may retain the Lease Agreement and hold the City liable for all Base Rental Payments thereunder on an annual basis, and will have the right to re-enter and re-let the Property.

Base Rental Payments may not be accelerated upon a default under the Lease Agreement. See the caption "RISK FACTORS—No Acceleration of Base Rental."

For purposes of certain actions of 2026 Bond Owners under the Indenture and Lease Agreement, such as certain consents and amendments and the direction of remedies following default, such 2026 Bond Owners do not act alone and may not control such matters to the extent that such matters are not supported by the requisite number of the Owners of all Bonds and Additional Bonds, if any.

For a detailed description of events of default and permitted remedies of the Trustee (as assignee of the Authority) contained in the Lease Agreement and the Indenture, see Appendix B.

No Reserve Fund

A Reserve Fund has not been established for the 2026 Bonds.

Insurance

Commercial General Liability and Property Damage Insurance. The City will maintain or cause to be maintained, throughout the term of the Lease Agreement, a standard commercial general liability insurance policy or policies in protection of the City, the Authority and their respective members, officers, agents and employees. Said policy or policies must provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the use or ownership of the Property. Said policy or policies must provide coverage in the minimum liability limits of $1,000,000 for personal injury or death of each person and $3,000,000 for personal injury or deaths of two or more persons in a single accident or event, and in a minimum amount of $500,000 for damage to property (subject to a deductible clause of not to exceed $100,000) resulting from a single accident or event. Such commercial general liability and property damage insurance may, however, be in the form of a single limit policy in the amount of $3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, provided that such self-insurance complies with the provisions of the Lease Agreement. The Net Insurance Proceeds of such liability insurance will be applied toward extinguishment or satisfaction of the liability with respect to which the Net Insurance Proceeds of such insurance have been paid.

The City will also maintain or cause to be maintained, fire, lightning and special extended coverage insurance (which includes coverage for vandalism and malicious mischief, but need not include coverage for earthquake damage) on all improvements constituting any part of the Property in an amount equal to the greater of 100% of the replacement cost of such improvements or 100% of the outstanding principal amount of the Bonds. The City has an insurance policy which provides replacement cost coverage. All casualty insurance required to be maintained under the Lease Agreement may be subject to a deductible in an amount not to exceed $500,000. The City's obligations to maintain casualty insurance may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of the Lease Agreement.

Workers' Compensation Insurance. The City will maintain or cause to be maintained, throughout the term of the Lease Agreement, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the California Labor Code, or any act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the City in connection with the Property and to cover full liability for compensation under any such act; provided, however, that the City's obligations to maintain workers' compensation insurance may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of the Lease Agreement.

Rental Interruption Insurance. The City will maintain rental interruption insurance to cover the Authority's loss, total or partial, of Base Rental Payments resulting from the loss, total or partial, of the use of any part of the Property as a result of any of the hazards required to be covered by casualty insurance (as described in the second paragraph under the subcaption "—Commercial General Liability and Property Damage Insurance" above) in an amount sufficient at all times to pay an amount not less than the product of two times the maximum amount of Base Rental Payments scheduled to be paid during any Rental Period. The City is not permitted to self-insure its obligation to maintain rental interruption insurance.

The City will maintain property insurance in an amount sufficient to cover the loss or damage to any tenant improvements or betterments on the Property.

The insurance required by the Lease Agreement must be provided by reputable insurance companies with claims paying abilities determined, in the reasonable opinion of a professionally certified risk manager or an independent insurance consultant, to be adequate for the purposes thereof.

THE CITY

General

The City is located in southwestern San Bernardino County (the "County"), approximately 35 miles east of Los Angeles near the intersection of Interstates 10 and 15 in the area of southern California known as the "Inland Empire." The City is adjacent to the cities of Upland, Montclair, Chino and Rancho Cucamonga. The City had a population of approximately 184,404 as of January 1, 2025, and covers approximately 50 square miles. The City was incorporated in 1891 and is a general law city operating under a council/manager form of government. Further information concerning the City is set forth below and in Appendix A. The City provides a full range of services, including police and fire protection, construction and maintenance of streets, parks, water and sewer lines, traffic signals and other infrastructure, water, sewer and integrated waste services, recreation and community services and arts, cultural and social programs. The City also operates a municipal golf course, the convention center and the Toyota Arena, which opened in 2008.

Employees

As of June 30, 2025, the City had approximately 1,517 full-time equivalent employees, of which 1,377 worked in general government services and 140 worked for the City's Municipal Utilities Company (serving both the water system and the City's municipal wastewater system). City employees are represented by seven labor associations which collectively represent approximately 1,325 employees. Relations between the City and its labor associations are governed by memoranda of understanding (each, an "MOU") that expire on June 30, 2027, with the exception of the American Federation of State, County and Municipal Employees Local 3061 ("AFSCME"), which has an MOU which expires on June 30, 2026, and the Association of Ontario Management Employees ("AOME"), which has an MOU which expires on June 30, 2026. A total of approximately 192 management and confidential employees are exempt from collective bargaining. Salaries for exempt employees are set by the City Council. The City has never experienced a strike, slowdown or work stoppage.

Government and Administration

The City operates under a council-manager form of government. Councilmembers and the Mayor are currently elected at large for four-year alternating terms. The City Treasurer and City Clerk are also elected by City voters. Beginning with the November 5, 2024, Statewide election, two Councilmembers were elected by district, with the other two Councilmembers elected by district at the November 3, 2026, Statewide election; the Mayor continues to be elected Citywide.

The City Manager, appointed by the City Council, serves as the City's chief administrative officer and is responsible for overseeing the daily operations of City departments and efficient management of all City business. Functions of the City Manager's Office include coordination of the implementation of City Council policies and programs; providing overall direction to the departments that administer City programs and services; coordinating intergovernmental relations and legislative advocacy; and administration of the City's communications, media relations and public information programs.

Scott Ochoa has served as the City Manager since October 2017. In this capacity he leads the daily operation of City government. Prior to coming to the City, Mr. Ochoa served as the City Manager of Glendale, California and Monrovia, California. Mr. Ochoa has a Bachelor's degree from Claremont McKenna College and a Masters in Public Administration degree from the University of Southern California.

Other key personnel responsible for management of the City include the City Treasurer and the Executive Director of Finance. In addition, the City Attorney provides legal services to the City and the Authority.

James R. Milhiser has served as the elected City Treasurer since 1998. Mr. Milhiser has over 40 years of experience in financial services. He has a Bachelor's degree from California State Polytechnic University,

Pomona, and successfully completed a three year program at Pacific Coast Banking School, held at the University of Washington.

Armen Harkalyan serves as the Executive Director of Finance of the City. Mr. Harkalyan was appointed Executive Director of Finance in January 2019. Prior to coming to the City, Mr. Harkalyan served as the Deputy Director of Finance and Revenue Manager for the City of Glendale, California. Mr. Harkalyan has a Bachelor's degree from California State University, Los Angeles, and a Master's degree from the University of Phoenix.

Ruben Duran has been City Attorney since 2020. Mr. Duran has been an attorney for more than 25 years in private practice specializing in municipal law. He has a Bachelor's degree from the University of California, San Diego and a Juris Doctorate degree from University of California, Hastings.

Ontario International Airport

The City is home to Ontario International Airport ("ONT"). ONT is served by approximately 10 commercial carriers with connections to approximately 30 domestic and international destinations, including the only transpacific service for a Southern California airport other than the Los Angeles International Airport. It is also a major cargo airport given the City's proximity to the large logistics and distribution hub in the Inland Empire.

ONT was developed prior to World War II and was owned by the federal government until 1967, when it was acquired by a joint powers authority, the members of which were the City and the City of Los Angeles Department of Airports ("LAWA"). LAWA operated ONT on behalf of the joint powers authority, eventually acquiring ONT outright in 1985.

In 2016, the City and the Ontario International Airport Authority ("OIAA"), a joint powers authority the members of which are the City and the County, acquired ONT from LAWA and assumed operation and management of ONT. The City paid a portion of the purchase price of ONT to LAWA as well as salaries and legal, consulting and administrative fees associated with the negotiations leading up to the acquisition of ONT from LAWA. The payments made by the City for these purposes totaled $42,373,148 as of June 30, 2019, which amount has been written off by the City and recorded as a capital contribution by OIAA.

The City and OIAA have entered into a number of agreements related to the provision of law enforcement and fire protection services by the City for the benefit of ONT. Currently, approximately 73 police and other public safety officers provide law enforcement and fire protection services at ONT. The City's charges to ONT for such services are intended to recoup the City's associated expenses in providing such services.

CITY FINANCIAL INFORMATION

Accounting and Financial Reporting

The City maintains its accounting records in accordance with Generally Accepted Accounting Principles ("GAAP") and the standards established by the Governmental Accounting Standards Board ("GASB"). On a quarterly basis, a report is prepared for the City Council and City staff which reviews fiscal performance to date against the budget. Combined financial statements of the City and its component units are produced following the close of each Fiscal Year.

The City Council employs an independent certified public accountant who examines at least annually the financial statements of the City in accordance with generally accepted auditing standards, including tests of the accounting records and other auditing procedures as such accountant considers necessary. As soon as practicable after the end of the Fiscal Year, a final audit and report is submitted by the independent certified public accountant to the City Council.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of

self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The City's government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, under which revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The City's governmental fund (including the General Fund) financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting, under which revenues are recognized as soon as they are both measurable and available (i.e. collectible within the current period or soon enough thereafter to pay liabilities of the current period), and expenditures are recorded when a liability is incurred.

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in another fund. Base Rental Payments will be paid from any legally available funds of the City. Tables 1 through 4 below set forth certain historical and current Fiscal Year budget information for the General Fund. Information on the remaining governmental funds of the City as of June 30, 2025, is set forth in Appendix C.

General Economic Condition and Outlook of the City

Fiscal Policies.

The City has adopted several policies which are designed to ensure the prudent and effective management of City operations, including a Fund Balance and Reserve Policy, Debt Management Policy, Capital Asset Management Policy, Economic Uncertainty Reserve, Strategic Plan, Cost Allocation Plan and Investment Policy. Further information about these policies is set forth below.

Fund Balance and Reserve Policy. The City Council adopted a Fund Balance and Reserve Policy on June 17, 2024, that forms the overall framework within which the City's General Fund operating budget is formulated. The Fund Balance and Reserve Policy establishes the procedures for reporting unrestricted fund balances in the General Fund financial statements. Certain commitments and assignments of the fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Financial Services Agency to prepare financial reports which accurately categorize fund balance in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Fund balance is essentially the difference between the assets, deferred outflows and deferred inflows of resources and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent:

- Nonspendable fund balance (inherently nonspendable, i.e., inventory)
- Restricted fund balance (externally enforceable limitations on use, i.e., restricted by law or terms of grant)
- Committed fund balance (self-imposed limitations on use)
- Assigned fund balance (limitation resulting from intended use)
- Unassigned fund balance (residual net resources)

The City Council, as the City's highest level of decision-making authority, may commit fund balances for specific purposes pursuant to constraints imposed by the adoption of a resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action that was originally taken to establish the commitment. City Council action to commit

fund balances must occur within the fiscal reporting period; however, the amount can be determined subsequently.

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balances. Pursuant to the City budget guidelines and processes that are included in the annual operating budget documents, the City Council has delegated the authority to assign amounts to be used for specific purposes to the City Manager and/or the Executive Director of Finance for the purpose of reporting these amounts on the annual financial statements and the annual and quarterly budgetary reports.

Included in the Fund Balance and Reserve Policy is a 20% Stabilization Plan. This plan reflects the goal of the City Council to achieve a minimum of 20% of annual General Fund appropriations as an assigned fund balance in the General Fund. Based on the current year appropriations, the amount assigned to the 20% Stabilization Plan will either increase or decrease accordingly. This assigned balance is intended to be used for specific and defined emergency services and to minimize the potential for disruption of municipal services to citizens. As of June 30, 2025, the City's General Fund had an assigned fund balance for the stabilization arrangement of $87.50 million, which achieved the 20% goal for Fiscal Year 2024-25. Currently, the assigned fund balance is approximately 20% of annual General Fund appropriations.

The General Fund is the only City fund that can report a positive unassigned fund balance; this is the residual positive net resources in excess of what can properly be classified in one of the other four categories.

Economic Uncertainty Reserve. In Fiscal Year 2019-20, the City established an Economic Uncertainty Reserve with a target amount of $15,000,000. The Economic Uncertainty Reserve was established to smooth out revenue and expenditure contingencies. The reserve was initially funded with a deposit of $15,000,000 representing moneys transferred from the City's other post-employment benefits fund. An additional $4,500,000 was added in Fiscal Year 2021-22 and $500,000 was added in Fiscal Year 2022-23 to bring the Economic Uncertainty Reserve to the current target of $20,000,000. As of June 30, 2025, the balance in the Economic Uncertainty Reserve was $20,000,000.

Debt Management Policy. The City has adopted a Debt Management Policy in accordance with California Government Code Section 8855 to establish guidelines and parameters for the effective governance, management and administration of debt issued by the City and its related entities and to ensure compliance with legislation, statutes and laws that place regulations on local agency debt. The following elements have been incorporated into this policy:

- The purposes for which debt may be incurred.
- The types of debt that may be issued.
- Assessment of debt limits generally and for General Fund-supported debt.
- Debt structuring and issuance practices.
- Debt management practices, including the investment of proceeds and post-issuance compliance.

Capital Asset Management Policy. The City's Capital Asset Management Policy is intended to: (1) describe the policies and procedures utilized in the City's capital asset management system; (2) establish guidelines for accounting and depreciating the City's capital assets; and (3) list and describe suitable capital assets and their estimated useful life.

The primary goals of the Capital Asset Management Policy are (i) to ensure that the City's capital assets are properly accounted for; (ii) to establish a consistent and cost-effective method for accounting for the City's capital assets; and (iii) to assure compliance with GAAP.

Five Year Forecast. In the wake of the 2008 financial crisis, the City developed a Five-Year Budget Action Plan (the "Action Plan"), which was designed to minimize the negative impacts of the global

economy on the City's fiscal health so that the City could continue to preserve public safety levels, meet community and cultural needs and deliver capital projects.

The Action Plan included budget cuts in non-essential expenditures, partnering with vendors and suppliers to limit cost increases, freezing vacant positions, transferring City staff from General Fund-supported positions to vacant positions with funding sources and negotiating with employee groups to forgo contracted raises and merit increases. Implementation of the Action Plan enabled the City to manage its finances after the 2008 financial crisis without layoffs and furloughs and by using accumulated reserves to balance its budgets.

The Action Plan covered a five-year period that ended in 2015, however, the City has continued to utilize the tools that it developed during the Action Plan and now refers to a Five Year Forecast to assist in managing the City's finances during future economic recessions.

Strategic Plan. The City's Strategic Plan, which serves as a framework for developing the City's budget, includes the following goals established by the City Council:

- Invest in the Growth and Evolution of the City's Economy.
- Maintain the Current High Level of Public Safety.
- Operate in a Businesslike Manner.
- Pursue City's Goals and Objectives by Working with Other Governmental Agencies.
- Focus Resources in Ontario's Commercial and Residential Neighborhoods.
- Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities).
- Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities.
- Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch.

Fiber Optic Master Plan. The City is also developing a Fiber Optic Master Plan to guide the design, construction and operation of a fiber optic backbone infrastructure. The fiber optic network is intended to create cost-effective, secure, fast and reliable communications capabilities throughout the City. The first customer was connected in 2015 and there are currently more than 1,400 residential users and 250 commercial customers. The City continues to increase and improve its wide fiber and wireless solutions.

Cost Allocation Plan. The City's Cost Allocation Plan is a basic information tool in a number of financial and budgetary decision-making situations. The Cost Allocation Plan can be used to identify indirect costs incurred by the City in administering and providing support services to special projects, funds and contracts. By identifying total project costs, the Cost Allocation Plan can be used to determine the level of support and to reimburse the General Fund for the indirect costs incurred.

An indirect cost rate is a means for determining fairly and conveniently, within the boundaries of sound administrative principles, what proportion of indirect costs each project or activity should bear. It is the ratio of total indirect expenses to a direct cost base. By applying the indirect cost rate to any particular cost objective, the total cost of the project or activity can be calculated. Indirect costs are categorized as Departmental Overhead and General & Administrative ("G&A") expenses. Departmental Overhead is allocated on the basis of direct personnel costs, while G&A is allocated based on the total project or activity costs (excluding G&A).

The Cost Allocation Plan is utilized in charging the City's utility funds, including water, sewer and integrated waste, for the costs of General Fund administrative activities that benefit such utility funds. The Cost Allocation Plan is updated on an annual basis.

Cash Flow Management. The City maintains a robust capital improvement program to manage cash flow and prioritize capital projects. To do so the City meets bi-weekly to review and plan cash flow and, separately, meets bi-weekly with the budget department to discuss pending expenditures versus budget. In addition to the bi-weekly meetings, the City Finance Department meets quarterly with the City's elected

Treasurer, the City Manager, and the Chief Financial Officer to review the investment and cash flow strategy. Additionally, the City Finance Department meets regularly with the Public Works Department to determine each capital project's status. Based on these meetings City management determines the priority of the project expenditures.

The City's Investment Policy is discussed below.

Summary of General Fund Results and Budgets. As of June 30, 2025, the General Fund had a year-end surplus (revenues in excess of expenditures) of $12,436,171 (inclusive of interfund transfers), which was significantly more than the year-end surplus of $3.3 million that was projected in the Fiscal Year 2024-25 General Fund budget.

For Fiscal Year 2025-26, the amended General Fund operating budget projects revenues of $457.8 million, which is approximately $0.9 million above audited Fiscal Year 2024-25 revenues. The amended Fiscal Year 2025-26 General Fund operating budget projects expenditures of $451 million, which is approximately $6.6 million (1.48%) above audited Fiscal Year 2024-25 expenditures. [THIRD QUARTER BUDGET UPDATE TO COME]

See the caption "—Budget Procedure, Current Budget and Historical Budget Information" for additional information relating to the adopted and amended budget for Fiscal Year 2025-26.

Budget Procedure, Current Budget and Historical Budget Information

Budget Timeline. The City's Fiscal Year 2025-26 budget was approved on June 18, 2025. The budget includes all funding sources of the City, including the General Fund and the Ontario Housing Authority. The City's budget process is described below.

The Ontario Municipal Code requires that the City Manager present the annual operating budget to the Mayor and City Council for approval. The City's Financial Services Agency (i.e., department), under the direction of the Executive Director of Finance, is responsible for compiling the estimated revenues and appropriations for the City Manager. Prior to the beginning of each Fiscal Year, the Mayor and City Council adopts the Annual Operating Budget at a public budget workshop.

The development of the Annual Operating Budget begins in February with the dissemination of budget preparation guidelines, including policies and procedures to ensure that the preparation of the budget conforms to fiscal policies and guidelines established by the Mayor and City Council. Following the distribution of the budget development guidelines, a budget "kick-off" meeting is held with department heads and other key City staff members to review the budget development guidelines.

Before department budget requests are submitted to the City Manager, the Financial Services Agency's Budget Office reviews and analyzes all department budget requests. This review includes a comparative analysis of historical and current expenditure levels. The City Manager and Budget Office staff then hold budget meetings with each department head to discuss the budget requests and obtain additional information to assist in the assessment of the requests. Following the meetings, the Budget Office adjusts line item requests in accordance with the City Manager's direction. Finally, the budget is presented to the Mayor and City Council for consideration and approval at a public budget workshop.

The City Council can make amendments to an adopted budget at any time during a Fiscal Year. Quarterly budget update reports include appropriation adjustments and revised revenue projections as needed. The City Manager may authorize budget transfers between line items, programs and agencies within a fund as long as the total budget has not exceeded the amount approved by City Council. Budgetary changes between funds require City Council approval.

A summary of the actions taken during the budgetary process is set forth below:

CITY OF ONTARIO
BUDGET PROCESS

Source: City.

Set forth in Table 1 are recent General Fund budgets and results of the City, including transfers in and out. During the course of each Fiscal Year, the budget is amended and revised as necessary by the City Council.

TABLE 1
CITY OF ONTARIO
GENERAL FUND BUDGETS AND RESULTS

	Fiscal Year 2023-24 Adopted Budget	Fiscal Year 2023-24 Amended Budget	Fiscal Year 2023-24 Audited Results	Fiscal Year 2024-25 Adopted Budget	Fiscal Year 2024-25 Amended Budget	Fiscal Year 2024-25 Audited Results	Fiscal Year 2025-26 Adopted Budget	Fiscal Year 2025-26 Amended Budget
Revenues								
Property Taxes	$62,219,000	$70,584,000	$69,404,912	$74,525,000	$74,775,000	$73,741,868	$79,350,000	$79,350,000
Property Taxes In Lieu	27,191,000	29,549,314	29,560,538	31,725,000	31,725,000	31,793,109	33,675,000	33,675,000
Sales Tax	226,857,000	187,142,000	184,307,995	194,375,000	197,150,000	203,410,213	204,715,000	213,215,000
Franchise Taxes	3,555,000	4,000,000	4,456,617	4,250,000	3,950,000	3,567,973	4,750,000	4,750,000
Transient Occupancy Tax	16,500,000	16,500,000	16,625,996	17,000,000	17,000,000	16,671,971	18,000,000	18,000,000
Business License Tax	8,914,000	9,264,000	10,902,568	10,150,000	10,150,000	10,718,444	11,500,000	11,500,000
Other Taxes	5,000,000	5,800,000	5,883,421	5,500,000	5,950,000	5,359,829	6,200,000	6,200,000
Licenses and Permits	8,477,000	8,477,000	7,879,656	7,057,000	7,057,000	10,817,111	7,685,160	7,685,160
Intergovernmental	23,299,481	23,144,061	23,173,611	18,260,721	17,548,589	17,980,405	11,122,947	11,122,947
Fines and Forfeitures	741,000	901,000	1,141,324	901,000	901,000	1,419,576	996,000	996,000
Use of Money and Property	1,401,379	1,487,379	5,137,055	1,480,000	1,480,000	6,549,559	1,615,000	1,615,000
Charges for Services- ONT	21,529,369	22,723,451	22,723,450	24,500,591	23,866,579	23,866,579	24,821,242	24,821,242
Charges for Services	28,875,200	28,307,118	32,659,893	30,494,370	30,661,295	31,006,331	33,897,117	33,917,117
Other Revenue	2,020,000	5,651,773	7,098,255	5,647,747	15,963,259	16,556,435	6,905,457	8,553,479
Transfers In	2,000,000	15,000,000	17,000,000	3,000,000	3,459,374	3,459,374	2,000,000	2,433,378
Total Revenues	$438,579,429	$428,531,096	$437,955,291	$428,866,429	$441,637,096	$456,918,777	$447,232,923	$457,834,323
Expenditures								
General Government	$42,805,793	$44,125,417	$38,712,927	$44,078,515	$44,954,620	$42,124,271	$32,188,584	$32,142,238
Public Safety	219,976,081	221,468,253	230,431,183	235,219,570	234,142,308	238,241,478	244,835,463	245,069,535
Community Development	83,697,907	90,470,377	85,809,117	79,992,747	76,149,251	79,095,855	79,267,574	79,329,982
Public Works	10,573,585	11,081,094	9,460,576	20,992,839	33,735,177	31,718,260	34,702,647	34,825,777
Debt Service	-	-	3,289,102	-	-	3,425,357	-	-
Transfers Out	70,874,441	71,494,441	60,311,783	47,146,250	49,338,582	49,877,385	56,238,655	59,672,033
Total Expenditures	$427,927,807	$438,639,582	$428,014,688	$427,429,921	$438,319,938	$444,482,606	$447,232,923	$451,039,565
Excess (Deficiency) of Revenues Over (Under) Expenditures	$10,651,622	$(10,108,486)	$9,940,603	$1,436,508	$3,317,158	$12,436,171	-	$6,794,758

Sources: Adopted budgets of the City for Fiscal Years 2023-24 through 2025-26; audited financial statements of the City for Fiscal Years 2023-24 and 2024-25.

Change in Fund Balance of the City General Fund

Set forth in Table 2 are the City's General Fund statements of revenues, expenditures and changes in fund balance for the last five Fiscal Years.

TABLE 2
CITY OF ONTARIO
GENERAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	2021	2022	2023	2024	2025
Revenues					
Property Taxes[1]	$50,622,447	$55,463,804	$63,349,812	$69,404,912	$73,741,868
Property Taxes In Lieu [2]	21,557,460	23,564,478	26,634,620	29,560,538	31,793,109
Sales Tax	105,424,829	129,332,341	140,501,064[3]	184,307,995	203,410,213
Franchise Taxes	3,251,867	3,561,004	4,337,193	4,456,617	3,567,973
Transient Occupancy Tax	10,614,109	16,400,754	16,964,564	16,625,996	16,671,971
Business License Tax	8,559,248	8,856,928	9,729,862	10,902,568	10,718,444
Other Taxes	3,507,185	5,997,517	5,572,064	5,883,421	5,359,829
Licenses and Permits	8,423,831	10,772,502	12,608,106[4]	7,879,656	10,817,111
Intergovernmental	15,484,677	15,306,488	16,401,508	23,173,611[5]	17,980,405
Fines and Forfeitures	656,407	1,060,576	959,216	1,141,324	1,419,576
Use of Money and Property	1,066,572	(2,618,811)	1,224,323	5,137,055	6,549,559
Charges for Services-ONT[6]	16,292,913	19,371,918	20,902,300	22,723,450	23,866,579
Charges for Services[7]	15,429,490	28,071,740	31,021,010	32,659,893	31,006,331
Other Revenue	13,644,767	9,466,875	6,589,628	7,098,255	16,556,435
Total Revenues	$274,535,802	$324,608,114	$356,795,270	$420,955,291	$453,459,403
Expenditures					
General Government	$29,847,243	$33,878,368	$29,686,747	$38,712,927	$42,124,271
Public Safety	169,458,528	194,515,870	196,602,479	230,431,183[9]	238,241,478
Community Development[11]	36,989,671	39,299,440	63,535,293	85,809,117	79,095,855
Public Works	13,535,675	13,895,991	8,908,679	9,460,576	31,718,260[12]
Debt Service	3,887,687	1,681,331	3,953,662	3,289,102	3,425,357
Total Expenditures	$253,718,804	$283,271,000	$302,686,860	$367,702,905[8]	$394,605,221
Excess (Deficiency) of Revenues Over (Under) Expenditures	$20,816,998	$41,337,114	$54,108,410	$53,252,386	$58,854,182
Other Financing Sources (Uses)					
Transfers In	$13,474,393	$2,508,769	$2,000,000	$17,000,000	$3,459,374
Transfers Out	(15,140,552)	(58,025,730)	(80,167,806)	(60,311,783)	(49,877,385)
Other financing sources		-	17,476	-	-
Total other financing sources (uses)	$(1,666,159)	$(55,516,961)	$(78,150,330)	$(43,311,783)	$(46,418,011)
Net Change in Fund Balances	$19,150,839	$(14,179,847)	$(24,041,920)	$9,940,603	$12,436,171
Fund Balances, Beginning of Year	$107,338,096	$128,162,049[10]	$113,982,202	$89,940,282	$99,880,885
Fund Balances, End of Year	$126,488,935	$113,982,202	$89,940,282	$99,880,885	$112,317,056

(1) Property tax revenues include residual incremental property taxes from former redevelopment agency and penalties.
(2) See the caption "—State of California Motor Vehicle In-Lieu Payments."
(3) Measure Q local services sales tax increase of 1.0% effective 4/1/2023.
(4) Licenses and permits revenue increase in 2023 due to pulled permits for large commercial projects.
(5) American Rescue Plan Act (ARPA) revenue recognition in 2024.
(6) Revenue is generated by the public safety services provided by the City to ONT. Public safety service contracts with Ontario International Airport Authority (OIAA) increased in 2024.
(7) Includes fees for plan checks and other planning related services, recreational program fees, Special District, Toyota Arena and Convention Center service charges. Increased CFD contributions to General Fund Services in 2024 due to increased development. Also, increase in number of events held at Toyota Arena and the Convention Center resulted in increased security revenue.
(8) Increases to personnel expenditures due to an increase in the number of positions, vacant positions being filled, and labor contractual increases.
(9) Public Safety increase due to footnote 8 above and the opening of a new Fire Station located in Ontario Ranch, resulting in the addition of new personnel and equipment.
(10) Beginning Fund Balance, as restated.
(11) Increase in development projects from Fiscal Year 2022-23 and 2023-24.
(12) Increase due to Engineering moving from Community Development to Public Works in Fiscal Year 2024-25.

General Fund Balance Sheets of the City

Set forth in Table 3 are the City's General Fund balance sheets for the last five Fiscal Years.

TABLE 3
CITY OF ONTARIO
GENERAL FUND BALANCE SHEETS

	2021[1]	2022	2023	2024	2025
Assets					
Cash and Investments	$ 79,898,830	$ 58,992,190	$80,525,740	$ 72,817,759	$4,927,339[1]
Receivables					
Accounts	29,751,184	40,313,187	42,236,552	50,966,077	9,863,309
Taxes	241,320	1,461,851	-	87,958	41,963,140
Notes and Loans	63,000	66,851	60,373	365,462	48,000
Leases	-	3,045,533	2,731,213	2,679,513	2,436,275
Accrued Interest	607,249	512,326	648,798	534,768	691,772
Prepaid Costs	161,659	158,153	140,299	397,755	506,569
Deposits	92,400	-	-		
Due from Other Governments	809,285	-	-	4,951,505	11,309,560
Due from Other Funds	-	3,701,965	9,490,170	20,739,430	88,588,804[1]
Advances to Other Funds	56,120,738	54,040,183			
Advances to Successor Agency	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Restricted Cash and Investments	-	-	-		
Inventories	301,530	282,742	253,007	259,474	255,731
Total Assets	171,547,195	$166,074,692	$139,586,152	$157,299,701	$164,090,499
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts Payable	$ 13,055,785	$ 7,126,415	$ 9,813,476	$ 14,006,703	$13,105,487
Accrued Liabilities	3,687,718	5,182,079	5,193,921	9,575,824	12,659,097
Unearned Revenues	12,862,997	21,579,294	17,606,106	9,260,625	3,308,917
Deposits Payable	15,239,488	15,251,827	14,446,446	16,729,265	18,280,305
Due to other Governments	-	-	-	-	1,488
Total Liabilities	$ 44,845,986	$ 49,139,615	$ 47,059,949	$ 49,572,417	$47,355,294
Deferred Inflows of Resources					
Unavailable Revenues	$ -	$ -	$ -	$ 5,411,969	$2,357,840
Leases	-	2,952,875	2,585,921	2,434,430	2,060,309
Total Deferred Inflows of Resources	$ -	$ 2,952,875	$ 2,585,921	$ 7,846,399	$4,418,149
Fund Balances					
Nonspendable	$ 4,001,189	$ 57,981,078	$ 3,893,306	$ 4,522,691	$ 4,310,300
Restricted	361,579	361,579	373,447	383,445	395,780
Committed	-	-	-	-	
Assigned	122,338,441	55,639,545	85,673,529	94,974,749	107,610,976
Unassigned	-	-	-	-	-
Total Fund Balances	$126,701,209	$113,982,202	$ 89,940,282	$ 99,880,885	$112,317,056
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$171,547,195	$166,074,692	$139,586,152	$157,299,701	$164,090,499

[1] Cash was used for capital programs and was repaid from Due from Other Funds.
Sources: Audited financial statements of the City.

Property Taxes

Property tax receipts of $105,534,977 (including motor vehicle license fee in-lieu payments, which are discussed under the caption "—State of California Motor Vehicle In-Lieu Payments"), provided the second largest tax revenue source of the City in Fiscal Year 2024-25, contributing approximately 30.6% of General Fund tax revenues and approximately 23.1% of total General Fund revenues during Fiscal Year 2024-25.

Property in the State which is subject to *ad valorem* taxes is classified as "secured" or "unsecured." The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax that is levied on unsecured property may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on the secured property, regardless of the time of the creation of other liens.

The exclusive means of compelling the payment of delinquent taxes with respect to secured property is the sale of the property securing the taxes for the amount of taxes that are delinquent. The taxing authority has three methods of collecting unsecured personal property taxes: (1) filing a civil action against the taxpayer; (2) obtaining a judgment lien on certain property of the taxpayer from the county clerk or county recorder; and (3) seizing and selling personal property, improvements or possessory interests belonging or taxable to the assessee.

A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, beginning on the July 1 following a delinquency, interest begins accruing at the rate of 1.5% per month on the amount delinquent. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector. A 10% penalty also applies to the delinquent taxes or property on the unsecured roll, and an additional penalty of 1.5% per month accrues with respect to such taxes beginning on the varying dates related to the tax billing date.

State law also provides for the supplemental assignment and taxation of property as of the occurrence of a change in ownership or completion of new construction. Collection of taxes based on supplemental assessments occurs throughout the year. Taxes due are prorated according to the amount of time remaining in the tax year.

For a number of years, the State Legislature shifted property taxes from cities, counties and special districts to the Educational Revenue Augmentation Fund ("ERAF"). In Fiscal Years 1993 and 1994, in response to serious budgetary shortfalls, the State Legislature and administration permanently redirected over $3 billion of property taxes from cities, counties, and special districts to schools and community college districts pursuant to ERAF shifts. The Fiscal Year 2004-05 State Budget included an additional $1.3 billion shift of property taxes from certain local agencies, including the City, in Fiscal Years 2004-05 and 2005-06.

On July 27, 2009, the Governor signed a revised Fiscal Year 2010 State budget that included an ERAF shift of approximately 8% of 1% *ad valorem* property tax revenues from certain local agencies, including the City.

On November 2, 2010, State voters approved Proposition 22, which (i) prohibits the State of California from shifting or delaying the distribution of funds from special districts to schools and community colleges; (ii) eliminates the authority to shift property taxes temporarily during a severe financial hardship of the State; and (iii) restricts the State's authority to use fuel tax revenues to pay debt service on transportation bonds, to borrow or change the distribution of fuel tax revenues or to use vehicle license fee revenues to reimburse local governments for state-mandated costs.

Despite the passage of Proposition 22, there can be no assurance that 1% *ad valorem* property tax revenues which the City currently expects to receive will not be temporarily shifted from the City or reduced pursuant to State legislation enacted. See the caption "STATE OF CALIFORNIA BUDGET INFORMATION." If the property tax formula is permanently changed in the future, it could have a material adverse effect on the receipt of its share of 1% *ad valorem* property tax revenues by the City.

Set forth in Table 4 are the secured and unsecured assessed valuations for property in the City for the last ten Fiscal Years, including valuations attributed to the City's redevelopment successor agency.

TABLE 4
CITY OF ONTARIO
ASSESSED VALUATION HISTORY[1]

	City				Successor for Redevelopment Agency			
Fiscal Year Ended June 30	**Secured**	**Unsecured**	**Less: Exemptions**	**Taxable Assessed Value**	**Secured**	**Unsecured**	**Taxable Assessed Value**	**Total Direct Tax Rate**
2016	13,124,582	2,611,079	(105,864)	15,629,797	4,494,605	786,273	5,280,877	1.0035
2017	13,781,901	2,543,624	(109,080)	16,216,435	4,697,741	781,204	5,478,946	1.0035
2018	14,844,332	2,624,317	(108,915)	17,359,734	5,060,484	781,204	5,841,689	1.0035
2019	16,575,762	2,814,842	(108,701)	19,281,903	5,458,072	781,204	6,239,276	1.0035
2020	18,181,749	2,910,729	(110,654)	20,981,823	5,754,326	781,204	6,535,530	1.0035
2021	19,529,581	3,147,303	(111,223)	22,565,661	6,217,924	781,204	6,999,129	1.0035
2022	21,666,906	3,257,643	(112,096)	24,812,452	6,723,763	781,204	7,504,967	1.0035
2023	25,470,365	2,423,770	(109,103)	27,785,032	7,347,228	982,294	8,329,522	1.0035
2024	28,446,187	2,547,814	(109,714)	30,884,287	8,045,807	1,071,101	9,116,908	1.0035
2025	30,616,338	2,834,230	(112,755)	33,337,813	8,570,890	1,110,790	9,681,681	1.0035

[1] Figures are in thousands of dollars.
Sources: San Bernardino County Assessor Combined Tax Rolls.

Set forth in Table 5 are property tax collections and delinquencies in the City as of June 30 for the last ten Fiscal Years. Although the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (known as the Teeter Plan), as provided for in Section 4701 *et seq*. of the Revenue and Taxation Code of the State, the City does not participate in such plan. As a result, the City is exposed to the risk of property tax payment delinquencies but receives penalties and interest on delinquent collections. The City also receives supplemental taxes throughout the year.

TABLE 5
CITY OF ONTARIO
PROPERTY TAX LEVIES AND COLLECTIONS

Fiscal Year	*Total Tax Levy*	*Collections within the Fiscal Year of Levy*[1]	*Percent of Levy Collected within the Fiscal Year of Levy*	*Collections in Subsequent Years*	*Percent of Levy Collected to Date*
2016	$27,397,660	$27,022,201	98.63%	$755,577	101.39%
2017	28,598,396	28,237,630	98.74	628,491	100.94
2018	30,476,605	30,258,907	99.29	662,586	101.46
2019	33,855,137	33,811,751	99.87	275,397	100.69
2020	36,873,998	36,420,730	98.77	332,350	99.67
2021	39,726,163	39,415,629	99.22	341,296	100.80
2022	43,670,142	43,624,885	99.87	496,967	101.01
2023	49,348,272	49,693,817	100.70	948,837	102.62
2024	55,422,768	54,818,657	98.91	1,336,307	101.32
2025	59,621,511	58,477,865	98.08	641,505	99.16

(1) The amounts shown in this column do not reflect property tax revenues that are attributable to the City's redevelopment successor agency.
Source: Annual Comprehensive Financial Report of the City for Fiscal Year Ended June 30, 2025.

Information with respect to the ten largest property taxpayers in the City as shown on the Fiscal Year 2024-25 tax roll is set forth in Table 6.

TABLE 6
CITY OF ONTARIO
TEN LARGEST PROPERTY TAXPAYERS

Taxpayer	*2025 Taxable Assessed Valuation*	*% of Total Assessed Valuation*
Prologis	$1,444,649,458	3.34%
United Parcel Service Company	802,148,801	1.85
Ontario Mills LP	447,188,449	1.03
Costco Wholesale Corporation	409,537,219	0.95
Ontario Land Ventures LLC	388,296,844	0.90
Palmer Ontario Properties LP	382,773,034	0.88
Rexford Express Corporation	372,877,497	0.86
DPIF3 Calif. 36 Ontario Ranch	352,878,628	0.82
Federal Express Corporation	348,391,986	0.81
ELV Phase ½ LLC	347,200,458	0.80
Total Top Ten Taxpayers	$5,295,942,374	12.24%

Source: HDL, Coren & Cone

Sales Taxes

Sales tax receipts of $203,410,213 provided the largest tax revenue source for the City in Fiscal Year 2024-25, contributing approximately 58.9% of General Fund tax revenues and approximately 44.5% of total

General Fund revenues during Fiscal Year 2024-25. Retail sales at the Ontario Mills Mall and automobile sales at the Ontario Auto Center contribute significantly to such receipts. Additionally, a large increase in sales tax receipts was due to the recent passage of Measure Q, the one percent additional sales tax in Ontario that became effective April 1, 2023.

A sales tax is imposed on retail sales or consumption of personal property and collected and distributed by the California Department of Tax and Fee Administration (the "CDTFA"). The basic sales tax rate is established by the State Legislature, and local overrides may be approved by voters. The current sales tax rate in the City is 8.75%.

Transient Occupancy Taxes

Transient occupancy tax receipts of $16,671,971 provided the fourth largest tax revenue source for the City in Fiscal Year 2024-25, contributing approximately 4.8% of General Fund tax revenues and approximately 3.6% of total General Fund revenues during Fiscal Year 2024-25. Hotel guests are subject to a transient occupancy tax assessed at a rate of 11.75% of the room rental rates. The City is a popular leisure and conference destination in the Inland Empire, having both a sports and entertainment arena and a Convention Center.

Other Taxes

Other taxes collected by the City include parking taxes, property transfer taxes, franchise taxes and business license taxes. Parking taxes are levied at the rate of $1.75 per vehicle per day or 12.5% of monthly parking charges. Nearly 80% of the City's parking tax revenues come from parking structures at ONT. Franchise taxes are levied on gas, electric, cable television and fiber optic service providers within the City. Business license taxes are based on either a flat rate or a gross receipts basis.

Services

Charges of $54,872,910 collected for services provided by the City in Fiscal Year 2024-25, including but not limited to fees for plan checks and other planning services, police services and recreational program fees, provided approximately 12.0% of General Fund revenues during Fiscal Year 2024-25. The largest proportion of such charges consists of payments received from the operator of ONT for law enforcement and fire protection services provided by the City at ONT at $23,866,579 for Fiscal Year 2024-25. Additionally, the City receives moneys from community facilities districts which pay for public safety and public maintenance services. Amounts received from community facilities districts were $9,417,637 for Fiscal Year 2021-22; $10,667,454 for Fiscal Year 2022-23; $13,509,864 for Fiscal Year 2023-24 and $13,044,381 for Fiscal Year 2024-25.

State of California Motor Vehicle In-Lieu Payments

The State imposes a Vehicle License Fee (the "VLF"), which is the portion of the fees paid in lieu of personal property taxes on a vehicle. The VLF is based on vehicle value and declines as the vehicle ages. Prior to the adoption of the Fiscal Year 2004-05 State Budget, the VLF was 2% of the value of a vehicle. Through legislation in prior Fiscal Years, the State enacted VLF reductions under which the State was required to "backfill" local governments for their revenue losses resulting from the lowered fee. The Fiscal Year 2004-05 State Budget permanently reduced the VLF from 2% to 0.65% of the value of a vehicle and deleted the requirement for backfill payments, providing instead that the amount of the backfill requirement will be met by an increase in the property tax allocation to cities and counties. See the caption "STATE OF CALIFORNIA BUDGET INFORMATION."

VLF receipts, comprising Property Tax and In Lieu amounts, totaled $31,793,109 in Fiscal Year 2024-25. Such revenues provided the third largest tax revenue source for the City in Fiscal Year 2024-25, contributing approximately 9.2% of General Fund tax revenues and approximately 7.0% of total General Fund revenues.

TABLE 7
CITY OF ONTARIO
STATE OF CALIFORNIA MOTOR VEHICLE IN-LIEU PAYMENTS

Source	*2021*	*2022*	*2023*	*2024*	*2025*
Motor Vehicle In-Lieu Payments	$21,691,584	$23,774,739	$26,634,620	$29,560,538	$31,793,109

Source: City.

Federal Funding

The City receives funding from the federal government for several programs, including CDBG and HOME, Asset Forfeiture, and various grants for a total of approximately $4.37 million for Fiscal Year 2025-26. The City has received notification that the federal grants are earmarked for funding. See "RISK FACTORS – Federal Funding," herein.

Other Indebtedness

The table below shows outstanding long-term obligations of the City's General Fund. Below the table is a brief narrative of each obligation.

CITY OF ONTARIO
OUTSTANDING LONG TERM GENERAL FUND OBLIGATIONS

Long-Term Debt	Issuance Date	Maturity Date	Interest Rate	Principal Balance as of June 30, 2025
2017 Lease Revenue Refunding Bonds	July 11, 2017	November 1, 2042	2.0%- 5.0%	$22,835,000
2020 Pension Obligation Bonds	May 21, 2020	June 1, 2050	1.971%- 3.979%	211,155,000
2020 Lease/Purchase Agreement	September 30, 2020	November 1, 2040	2.320%- 2.961%	25,427,795
2021 California Energy Commission Loan	May 11, 2021	June 22, 2031	1.00%	1,982,699
2021 Lease/Purchase Agreement	August 11, 2021	August 12, 2042	3.55%	16,747,158
2021 Lease Revenue Refunding Bonds	December 16, 2021	October 1, 2043	0.665%- 3.283%	31,380,000
2022 Lease Revenue Bonds	June 15, 2022	November 1, 2052	5.00%	88,090,000
2024 Land Purchase Agreement	July 11, 2024	January 5, 2034	4.56%	25,780,709
2024 Land Purchase Agreement	September 12, 2024	January 4, 2034	4.75%	16,756,998
2025 Lease Revenue Bonds	May 29, 2025	November 1, 2055	5.00%	192,435,000
TOTAL				$632,590,359

Issued after June 30, 2025	Issuance Date	Maturity Date	Interest Rate	Issuance Amount
2025 Lease Purchase Agreement	July 29, 2025	August 1, 2035	4.32%	$7,100,000
2026 Lease Revenue Bonds Series A	February 26, 2026	October 1, 2056	3.658%-5.639%	161,271,000
2026 Lease Revenue Bonds Series B	February 26, 2026	October 1, 2043	5.000%	34,415,000
2026 Lease Financing	April 27, 2026	April 1, 2031	3.000%	84,000,000
TOTAL				$286,786,000

General Fund-Supported Debt.

2017 Bonds. In July 2017, the Authority issued the 2017 Bonds to refinance certain capital improvements of the City. The 2017 Bonds mature on November 1, 2042 and bear interest at rates varying from 2% to 5% per annum. The 2017 Bonds are payable from rental payments payable from the City to the Authority under the Original Lease Agreement. As of June 30, 2025, the 2017 Bonds were outstanding in the aggregate principal amount of $22,835,000.

2020 Bonds. In May 2020, the City issued its 2020 Taxable Pension Obligation Bonds (the "2020 Bonds") to pay a portion of the City's unfunded pension liabilities. The 2020 Bonds mature on June 1, 2050, and bear interest at rates varying from 1.971% to 3.979% per annum. The 2020 Bonds are payable from legally available funds of the City, including the General Fund. As of June 30, 2025, the 2020 Bonds were outstanding in the aggregate principal amount of $211,155,000.

2020 Lease/Purchase Agreement. In September 2020, the City entered into a tax-exempt lease/purchase agreement and a taxable lease/purchase agreement (previously defined as the "2020 Lease/Purchase Agreements") with Banc of America Public Capital Corp. and Banc of America Leasing & Capital, LLC, respectively, to finance certain energy efficiency improvements to City facilities, including the Arena (see the caption "THE PROPERTY – General – *Toyota Arena*"). The agreement matures in 2040 and bears interest at rates of 2.320% (tax-exempt component) and 2.961% (taxable component). The 2020 Lease/Purchase Agreement is payable from legally available funds of the City, including the General Fund; the City notes that the financed improvements are expected to generate energy efficiency cost savings for the General Fund. As of June 30, 2025, the 2020 Lease/Purchase Agreement was outstanding in the principal amount of $25,427,795.

2021 Energy Commission. In June 2021, the City entered into a direct borrowing loan agreement with the California Energy Commission in the amount of $2,898,220. The purpose of the loan is to provide funding for the installation of LED lights. The loan bears a 1% interest rate and is due in semi-annual payments in December and June through June 2031. Annual payments are $341,295 and the obligation matures in 2031. As of June 30, 2025, the outstanding principal amount was $1,982,699.

2021 Lease/Purchase Agreement. In August 2021, the City entered into a lease/purchase agreement (the "2021 Lease/Purchase Agreement") with Citizens Business Bank to finance certain improvements to the City's broadband fiber optic network. The agreement matures in 2042 and bears interest at the rate of 3.55% per annum. The 2021 Lease/Purchase Agreement is payable from legally available funds of the City, including the General Fund, although the primary repayment source is expected to be the City's Broadband/Fiber Optic Fund. As of June 30, 2025, the outstanding principal amount was $16,747,158.

2021 Bonds. In December 2021, the Authority issued its 2021 Lease Revenue Refunding Bonds, Series A (Federally Taxable) (the "2021 Bonds") to refinance certain capital improvements of the City. The 2021 Bonds mature on October 1, 2043, and bear interest at rates varying from 0.665% to 3.283% per annum. The 2021 Bonds are payable from rental payments payable by the City to the Authority under an Amended and Restated Lease Agreement, dated as of December 1, 2021. As of June 30, 2025, the 2021 Bonds are currently outstanding in the aggregate principal amount of $31,380,000.

2022 Bonds. In June 2022 the Authority issued its 2022 Lease Revenue Bonds, Series A (the "2022 Bonds") in the amount of $90,830,000 to finance the acquisition and construction of capital projects. The 2022 Bonds are payable semiannually on May 1 and November 1 of each year, commencing November 1, 2022, and mature in 2052. The bonds are payable from base rental payments to be made by the City for the right to use certain real property and improvements of the City pursuant to a Lease Agreement, dated June 1, 2022. As of June 30, 2025, the 2022 Bonds are currently outstanding in the aggregate principal amount of $88,090,000.

2023 Bonds. In March 2023, the Ontario Public Financing Authority issued its 2023 Lease Revenue Bonds (the "2023 Bonds") in the amount of $100,000,000 to finance land acquisition and infrastructure improvements. The 2023 Bonds are payable semiannually on September 1 and March 1 of each year, commencing September 1, 2023, with a mandatory tender date of March 1, 2026. The current interest rate is 4.39%, with a maximum rate of 12.0%. The 2023 Bonds were defeased with the issuance of the 2026B Bonds.

2025 Bonds. In May 2025, the Ontario Public Financing Authority issued its 2025A Lease Revenue Bonds (the "2025 Bonds") in the amount of $192,435,000 to finance public capital improvements within the City. The 2025 Bonds are payable semiannually on November 1 and May 1 of each year, commencing November 1, 2025, and mature in 2055. The bonds are payable from base rental payments to be made by the City for the right to use certain real property and improvements of the City pursuant to a Lease Agreement, dated

May 1, 2025. As of June 30, 2025, the 2025 Bonds are currently outstanding in the aggregate principal amount of $192,435,000.

2026 Series A & B Bonds. In February 2026, the Ontario Public Financing Authority issued its 2026A Lease Revenue Bonds (the "2026A Bonds") in the amount of $161,270,000 to finance public capital improvements within the City. The 2026A Bonds are payable semiannually on April 1 and October 1 of each year, commencing April 1, 2026, and mature in 2056. At the same time, the Ontario Public Financing Authority issued its 2026B Lease Revenue Bonds (the "2026B Bonds," and together with the 2026A Bonds, the "2026AB Bonds") in the amount of $34,415,000 to defease the Authority's Taxable Lease Revenue Bonds, 2023 Series A. The 2026B Bonds are payable semiannually on April 1 and October 1 of each year, commencing April 1, 2026, and mature in 2043. The 2026AB Bonds are payable from base rental payments to be made by the City for the right to use certain real property and improvements of the City pursuant to that certain Lease Agreement, dated as of February 1, 2026.

Other Long Term Debt Payable from General Fund.

In February 2023 the City entered into a purchase and loan agreement with the Ronald and Kristine Pietersma Family Trust in the amount of $100,269,446. The purpose of the loan is to provide funding for the purchase of a property located in the City to be used for construction of a sports complex. The loan bears a 3.68% interest rate and is due in monthly payments of $1,000,000 from April 2023 to March 2033. The outstanding balance at June 30, 2025, amounted to $80,806,936. On April 27, 2026, the City prepaid the outstanding balance on the purchase and loan agreement and it is no longer outstanding (see below).

In October 2023 the City entered into a purchase and sale agreement with 15 Dairy River, LLC, for the purchase of property to be used for the construction of a sports complex. In July 2024, a secured promissory note was issued upon the close of escrow in the amount of $28,690,200. The note bears an interest rate of 4.56% and annual payments of $3,556,360 are due from January 2025 to January 2034. The City has the right to prepay this obligation at any time without penalty. The outstanding balance at June 30, 2025, amounted to $25,780,709.

In October 2023 the City entered into a purchase and sale agreement with Ontario WF Farm, LLC, for the purchase of property to be used for the construction of a sports complex. In September 2024, a secured promissory note was issued upon the close of escrow in the amount of $18,805,500. The note bears an interest rate of 4.75% and annual payments of $2,331,368 are due from January 2025 to January 2034. The City has the right to prepay this obligation at any time without penalty. The outstanding balance at June 30, 2025, amounted to $16,756,998.

In January 2025, the City entered into a purchase and sale agreement with Costello Investments LLC, for the purchase of property to be used for the construction of an animal shelter. In July 2025, a lease obligation was issued upon the close of escrow in the amount of $7,100,000. The obligation bears a 4.32% interest rate and is due in monthly payment amounts of $72,995 from September 2025 to August 2035. The permanent location of the new animal shelter has changed, and the property purchased is being evaluated for an alternative City purpose or will be sold.

In April 2026, the City and Authority entered into that certain Lease Agreement, dated as of April 1, 2026, for the purpose of refinancing the purchase and loan agreement obligation with the Ronald and Kristine Pietersma Family Trust in the amount $84,000,000. The obligation bears a 3.00% interest rate and is due in annual payments of approximately $12,000,000 per year commencing April 1, 2027 through April 1, 2031, at which time the remainder of the outstanding balance shall be prepaid.

Short-Term Debt. The City currently has no short-term debt outstanding.

Anticipated Borrowings and Capital Program.

In furtherance of the City's capital program for parks and other amenities, the City has entered into purchase and sale agreements for public purposes and additional land for the planned Phase 2 of the Ontario Grand Park. Purchases closed in late January 2026. The obligation relating to the acquisition of the parcel for

the Ontario Grand Park is $21,829,500, payable over ten years at an interest rate of 4.24%, and is prepayable on any date. The obligation relating to the acquisition of property for other public purposes is $25,500,000, payable over five years at an interest rate of 4.85% and is prepayable on any date.

Additionally, the City has a robust capital improvement program which will be funded from a combination of pay-as-you-go and additional lease revenue bonds and is discussed below. See, "CITY FINANCIAL INFORMATION – Capital Improvement Program," herein.

Capital Improvement Program

The City is undertaking a series of significant public infrastructure projects designed to enhance public amenities and support regional growth. These projects include the Ontario Sports Empire, Ontario Grand Park, and the Toyota Arena, among others. For Fiscal Years 2025-26 through 2029-30, plus outer years, the City has approved approximately $2.88 billion in capital improvements.

A major component of this program is the Ontario Sports Empire, which includes land acquisition and construction for the new stadium, sports fields and parking facilities, and associated public infrastructure. The total estimated investment for this project over the current and following five fiscal years is $1.01 billion.

Additionally, the City is investing heavily in civic center enhancement and fire station construction, with projected costs exceeding $300 million during the same period. Other key infrastructure investments include park and playground improvements, public infrastructure upgrades, downtown revitalization efforts, and the renovation and expansion of museum and library facilities.

The City plans to finance these improvements through a combination of public financing and pay-as-you-go funding.

Estimated Direct and Overlapping Bonded Debt. The estimated direct and overlapping bonded debt of the City as of June 30, 2025 is set forth in Table 8. The information in Table 8 has been derived from data assembled and reported to the City by California Municipal Statistics, Inc. None of the City, the Authority or the Underwriter have independently verified the information in Table 8 and the City, the Authority and the Underwriter do not guarantee its accuracy.

TABLE 8
CITY OF ONTARIO
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT AS OF JUNE 30, 2025

City Assessed Valuation	$ 34,132,856		
Redevelopment Agency Incremental Valuation	9,681,681		
Total Assessed Valuation	$ 43,814,537*		
	Outstanding Debt 6/30/2025	Percentage Applicable	Est. Share of Overlapping Debt 6/30/2025
Overlapping Debt Repaid with Property Taxes:			
Metropolitan Water District	$ 17,155,000	1.060%	$ 181,843
Chaffey Community College District	440,580,000	24.931%	109,841,000
Chino Valley Unified School District	753,707,971	8.699%	65,565,056
Chaffey Union High School District	640,477,530	44.194%	283,052,640
Ontario-Montclair School District	123,330,015	70.605%	87,077,157
Mountain View School District School Facilities Improvement District No. 1	4,369,676	99.503%	4,347,959
Mountain View School District School Facilities Improvement District No. 2	78,489,793	99.035%	77,732,366
Mountain View School District CFD No. 1997-1	233,000	100.000%	233,000
Ontario Community Facilities District No. 13	2,785,000	100.000%	2,785,000
Ontario Community Facilities District No. 2[4]	13,515,000	100.000%	13,515,000
Ontario Community Facilities District No. 25	7,755,000	100.000%	7,755,000
Ontario Community Facilities District No. 26	8,035,000	100.000%	8,035,000
Ontario Community Facilities District No. 28	7,740,000	100.000%	7,740,000
Ontario Community Facilities District No. 30	12,280,000	100.000%	12,280,000
Ontario Community Facilities District No. 31	4,340,000	100.000%	4,340,000
Ontario Community Facilities District No. 33	5,560,000	100.000%	5,560,000
Ontario Community Facilities District No. 3[4]	6,945,000	100.000%	6,945,000
Ontario Community Facilities District No. 35	11,225,000	100.000%	11,225,000
Ontario Community Facilities District No. 38	9,505,000	100.000%	9,505,000
Ontario Community Facilities District No. 39	4,600,000	100.000%	4,600,000
Ontario Community Facilities District No. 40	5,870,000	100.000%	5,870,000
Ontario Community Facilities District No. 41	13,175,000	100.000%	13,175,000
Ontario Community Facilities District No. 42	6,860,000	100.000%	6,860,000
Ontario Community Facilities District No. 43	14,665,000	100.000%	14,665,000
Ontario Community Facilities District No. 45	8,350,000	100.000%	8,350,000
Ontario Community Facilities District No. 46	6,730,000	100.000%	6,730,000
Ontario Community Facilities District No. 53	20,630,000	100.000%	20,630,000
Ontario Community Facilities District No. 5[4]	5,930,000	100.000%	5,930,000
Ontario Community Facilities District No. 55	9,165,000	100.000%	9,165,000
Ontario Community Facilities District No. 56	19,215,000	100.000%	19,215,000
Ontario Community Facilities District No. 57	12,580,000	100.000%	12,580,000
Ontario Community Facilities District No. 64	27,860,000	100.000%	27,860,000
Ontario Community Facilities District No. 66	10,345,000	100.000%	10,345,000
Total overlapping debt repaid with property taxes	$2,314,002,985		$883,691,021
Direct and Overlapping General Fund Debt:			
San Bernardino County General Fund Obligations	100,765,000	12.625%	12,721,581
San Bernardino County Flood Control District GF Obligation	37,295,000	12.625%	4,708,494
Chaffey Community College District Certificates of Participation	21,770,000	24.931%	5,427,479
Cucamonga School District Certificate of Participation	904,000	50.634%	457,731
City of Ontario General Fund Obligations	**434,740,000**	**100.000%**	**434,740,000**
City of Ontario Pension Obligation Bonds	**211,155,000**	**100.000%**	**211,155,000**
City of Ontario General Fund Obligations-Unamortized			
Bond Premium and Discount	**21,034,152**		**21,034,152**
Loans Payable	**167,556,860**		**167,556,860**
West Valley Vector Control District Certificate of Participation	1,296,291	35.053%	454,389
Total direct/overlapping general fund debt	996,516,303		858,255,686
Overlapping Tax Increment Debt (Successor Agency):	$ 3,605,600	100.00%	3,605,600
Total overlapping debt			911,066,295
City direct debt			**834,486,012**
Total direct and overlapping debt			$1,745,552,307

Source: California Municipal Statistics, Inc.

Retirement Contributions

Accounting and financial reporting by state and local government employers for defined benefit pension plans is governed by GASB Statement No. 68 ("GASB 68"). GASB 68 includes the following components: (i) unfunded pension liabilities are included on the employer's balance sheet; (ii) pension expense incorporates

rapid recognition of actuarial experience and investment returns and is not based on the employer's actual contribution amounts; (iii) lower actuarial discount rates are required to be used for underfunded plans in certain cases for purposes of the financial statements; (iv) closed amortization periods for unfunded liabilities are required to be used for certain purposes of the financial statements; and (v) the difference between expected and actual investment returns will be recognized over a closed five-year smoothing period. GASB 68 affects the City's accounting and reporting requirements, but it does not change the City's pension plan funding obligations.

The City participates in three plans to fund pension benefits for employees: (i) a Police Safety Plan for police personnel; (ii) a Fire Safety Plan for fire department personnel; and (iii) a Miscellaneous Plan for all other eligible personnel. The City's pension plans are administered by CalPERS. CalPERS administers agent multiple-employer public employee defined benefit pension plans for all of the City's full-time and certain part-time employees. CalPERS provides retirement, disability and death benefits to plan members and beneficiaries and acts as a common investment and administrative agent for participating public entities within the State, including the City. CalPERS plan benefit provisions and all other requirements are established by State statute and the City Council.

City employees are subject to different benefit levels based on their hire date. The plans' provisions and benefits in effect at June 30, 2025 are summarized as follows:

CITY OF ONTARIO
CALPERS PENSION PLANS – SUMMARY OF BENEFIT PROVISIONS

Police Safety Plan

	Employees Hired Before July 1, 2012	***Employees Hired between July 1, 2012 and December 31, 2012***	***Employees Hired after December 31, 2012 (Not Previously CalPERS members)***
Benefit Formula	3.0% @ age 50	3.0% @ age 55	2.7% @ age 57
Benefit Vesting	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Minimum Retirement Age	50	50	50
Monthly Benefits as % of Eligible Compensation	3%	2.4% - 3%	2% - 2.7%
Employee Normal Cost	9.00%(1)	9.00%(1)	13.25%(1)
Employer Normal Cost Rate	22.90%	22.90%	22.90%

Fire Safety Plan

	Employees Hired Before July 1, 2012	***Employees Hired between July 1, 2012 and December 31, 2012***	***Employees Hired after December 31, 2012 (Not Previously CalPERS members)***
Benefit Formula	3.0% @ age 50	3.0% @ age 55	2.7% @ age 57
Benefit Vesting	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Minimum Retirement Age	50	50	50
Monthly Benefits as % of Eligible Compensation	3%	2.4% - 3%	2% - 2.7%
Employee Normal Cost	9.00%(1)	9.00%(1)	12.00%(1)
Employer Normal Cost Rate	19.55%	19.55%	19.55%

Miscellaneous Plan

	Employees Hired on or before December 31, 2012	***Employees Hired after December 31, 2012 (Not Previously CalPERS members)***
Benefit Formula	2.5% @ age 55	2.0% @ age 62
Benefit Vesting	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Minimum Retirement Age	50	52
Monthly Benefits as % of Eligible Compensation	2% - 2.5%	1% - 2.5%
Employee Normal Cost	8.00%(1)	7.25%(1)
Employer Normal Cost Rate	10.44%	10.44%

(1) Employees are required to make the full employee contribution themselves. The City does not make any portion of the employee contribution.

Source: City.

Contributions to the City's pension plans consist of contributions from plan participants (i.e., employees) and contributions by the City.

City employees who were hired after December 31, 2012 and who were not previously CalPERS members receive benefits based on a 2.7% at age 57 formula (for Police Safety Plan and Fire Safety Plan employees) or a 2.0% at age 62 formula (for Miscellaneous Plan employees). Such employees are required to make the full amount of required employee contributions themselves under the California Public Employees' Pension Reform Act of 2013 ("AB 340"), which was signed by the State Governor on September 12, 2012. AB 340 established a new pension tier for such employees. Benefits for such participants are calculated on the highest average annual compensation over a consecutive 36-month period. Employees are required to pay at least 50% of the total normal cost rate. AB 340 also capped pensionable income as noted below. Amounts are set annually, subject to Consumer Price Index increases, and retroactive benefits increases are prohibited, as are contribution holidays and purchases of additional non-qualified service credit.

CITY OF ONTARIO
PENSIONABLE INCOME CAPS FOR CALENDAR YEAR 2025
(AB 340 AND NON-AB 340 EMPLOYEES)

	Employees Hired On or Before December 31, 2012 (Non-AB 340 Employees)	***Employees Hired After December 31, 2012 (AB 340 Employees)***
Maximum Pensionable Income	$350,000	$186,096
Maximum Pensionable Income if also Participating in Social Security	N/A	155,081

Source: CalPERS.

Additional employee contributions, limits on pensionable compensation and higher retirement ages for new members as a result of the passage of AB 340 are expected to reduce the City's unfunded pension lability and potentially reduce City contribution levels in the long term.

The City is also required to contribute the actuarially determined remaining amounts necessary to fund benefits for its members. Employer contribution rates for all public employers are determined on an annual basis by the CalPERS actuary and are effective on the July 1 following notice of a change in the rate. Total plan contributions are determined through the CalPERS annual actuarial valuation process. The total minimum required employer contribution is the sum of: (i) the plan's employer normal cost rate, which funds pension benefits for current employees for the upcoming Fiscal Year (expressed as a percentage of payroll); plus (ii) the employer unfunded accrued liability contribution amount, which funds pension benefits that were previously earned by current and former employees (billed monthly).

For Fiscal Year 2024-25, required employer normal cost rates as a percentage of payroll were 22.90% for Police Safety Plan employees, 19.55% for Fire Safety Plan employees and 10.44% for Miscellaneous Plan employees. For Fiscal Year 2025-26, required employer normal cost rates as a percentage of payroll are 22.82% for Police Safety Plan employees, 19.94% for Fire Safety Plan employees and 10.09% for Miscellaneous Plan employees.

For Fiscal Year 2024-25, the total required employer payment of the unfunded accrued liability for the City's Police Safety Plan was $1,936,800. For Fiscal Year 2025-26, the total required employer payment of the unfunded accrued liability for the City's Police Safety Plan is $3,058,059, reflecting the City's issuance of the 2020 Bonds, the proceeds of which were applied to pay down a portion of the unfunded accrued liability of $139,203,264. See the caption "—Other Indebtedness—General-Fund Supported Debt—2020 Bonds."

For Fiscal Year 2024-25, the total required employer payment of the unfunded accrued liability for the City's Fire Safety Plan was $1,228,001. For Fiscal Year 2025-26, the total required employer payment of the unfunded accrued liability for the City's Fire Safety Plan is $2,370,845, reflecting the City's issuance of the

2020 Bonds, the proceeds of which were applied to pay down a portion of the unfunded accrued liability of $94,180,092. See the caption "—Other Indebtedness—General-Fund Supported Debt—2020 Bonds."

For Fiscal Year 2024-25, the total required employer payment of the unfunded accrued liability for the City's Miscellaneous Plan was $1,470,627. For Fiscal Year 2025-26, the total required employer payment of the unfunded accrued liability for the City's Miscellaneous Plan is $2,799,398, reflecting the City's application of available cash balances to pay down a portion of the unfunded accrued liability of $102,069,092.

Beginning in Fiscal Year 2017-18, CalPERS began collecting employer contributions toward a pension plan's unfunded liability as dollar amounts instead of the prior method of a percentage of payroll. According to CalPERS, this change was intended to address potential funding issues that could arise from a declining payroll or a reduction in the number of active members in the plan. Funding the unfunded liability as a percentage of payroll could lead to underfunding of pension plans. Due to stakeholder feedback regarding internal needs for total contributions expressed as an estimated percentage of payroll, the CalPERS reports include such results in the contribution projection for informational purposes only. Contributions toward a pension plan's unfunded liability will continue to be collected as set dollar amounts.

The City's required contributions to CalPERS fluctuate each year and, as noted, include a normal cost component and a component equal to an amortized amount of the unfunded liability. Many assumptions are used to estimate the ultimate liability of pensions and the contributions that will be required to meet those obligations. The CalPERS Board of Administration has adjusted and may in the future further adjust certain assumptions used in the CalPERS actuarial valuations, which adjustments may increase the City's required contributions to CalPERS in future years. Accordingly, the City cannot provide any assurances that the City's required contributions to CalPERS in future years will not significantly increase (or otherwise vary) from any past or current projected levels of contributions. CalPERS earnings reports for Fiscal Years 2011-12 through 2022-23 report investment gains of approximately 1.0%, 12.5%, 18.4%, 2.4%, 0.6%, 11.2%, 8.6%, 6.7%, 4.7%, 21.3%, -6.1% and 5.8%, respectively. Future earnings performance may increase or decrease future contribution rates for plan participants, including the City.

On December 21, 2016, the CalPERS Board of Administration (the "Board") voted to lower its discount rate from 7.50% to 7.00% over a three period. For public agencies such as the City, the new discount rate took effect July 1, 2017. Lowering the discount rate means that employers which contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013 will also see their contribution rates rise under AB 340. The reduction of the discount rate will result in average employer rate increases of approximately 1% to 3% of normal cost as a percentage of payroll for most retirement plans such as the City's plans. Additionally, many employers will see a 30% to 40% increase in their current unfunded accrued liability payments (relative to the unfunded accrued liability payments projected in the June 30, 2015 valuation report) for pension plans. These payments are made to amortize unfunded liabilities over 20 years to bring pension funds to a fully funded status over the long-term.

The announcement on July 12, 2021 that CalPERS achieved an investment return of 21.3% for the period from July 1, 2020 through June 30, 2021 caused the Board to lower CalPERS' discount rate from 7.00% to 6.80% on November 15, 2021 in accordance with a risk mitigation policy that was adopted in 2015, which calls for the discount rate to be lowered if returns exceed the then-current discount rate by two or more percentage points. The investment returns in 2023, 2024 and 2025 would have triggered further cuts to the discount rate. Under the current provisions of the risk mitigation policy, the Board has no plans to lower the current 6.80% discount rate.

Portions of the above disclosures are primarily derived from information that has been produced by CalPERS, its independent accountants and its actuaries. The City has not independently verified such information and neither makes any representations nor expresses any opinion as to the accuracy of the information that has been provided by CalPERS.

The annual comprehensive financial reports of CalPERS are available on CalPERS' Internet website at www.calpers.ca.gov. The CalPERS website also contains CalPERS' most recent actuarial valuation reports and other information that concerns benefits and other matters. The textual reference to such Internet website

is provided for convenience only. None of the information on such Internet website is incorporated by reference herein. The City cannot guarantee the accuracy of such information. Actuarial assessments are "forward-looking" statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future.

The June 30, 2023, valuation was rolled forward to determine the June 30, 2024 total pension liability, based on the following actuarial methods and assumptions:

CITY OF ONTARIO
ACTUARIAL ASSUMPTIONS FOR CALPERS PENSION PLAN

Actuarial Cost Method	Entry Age Normal Cost Method in accordance with the requirements of GASB 68
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Investment Rate of Return	6.90% net of pension plan investment and administrative expenses; includes projected inflation rate of 2.30%
Mortality Rate Table[(1)]	Derived using CalPERS' membership data for all funds

(1) The mortality table used was developed based on CalPERS-specific data from a 2021 actuarial experience study for the period from 1997-2015.
Source: City.

Changes in the net pension liability for the City's pension plans in the most recent Fiscal Year for which information is available were as follows:

CITY OF ONTARIO
CHANGES IN CALPERS PENSION PLANS NET PENSION LIABILITY

Police Safety Plan

	June 30, 2023	June 30, 2024
Present Value of Benefits	$671,911,214	$736,636,686
Entry Age Accrued Liability	545,512,302	587,491,154
Market Value of Assets	479,898,062	514,546,664
Unfunded Accrued Liability	$65,614,240	$72,944,490
Funded Ratio	88.0%	87.6%

Fire Safety Plan

	June 30, 2023	June 30, 2024
Present Value of Benefits	$483,846,676	$529,009,762
Entry Age Accrued Liability	392,782,632	418,735,594
Market Value of Assets	342,226,523	365,081,820
Unfunded Accrued Liability	$50,556,109	$53,653,774
Funded Ratio	87.1%	87.2%

Miscellaneous Plan

	June 30, 2023	June 30, 2024
Present Value of Benefits	$610,083,322	$669,248,330
Entry Age Accrued Liability	505,029,913	540,266,437
Market Value of Assets	449,133,287	479,946,056
Unfunded Accrued Liability	$55,896,626	$60,320,381
Funded Ratio	88.9%	88.8%

Source: City.

The table below presents the net pension liability of the City's pension plans, calculated using the discount rate applicable to Fiscal Year 2023-24 (6.90%), as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the Fiscal Year 2023-24 rate:

CITY OF ONTARIO
SENSITIVITY OF THE CALPERS PENSION PLANS NET PENSION LIABILITY
TO CHANGES IN THE DISCOUNT RATE

Plan's Net Pension Liability/(Asset)	Discount Rate – 1% (5.90%)	Applicable Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Police Safety Plan	$126,891,371	$47,084,646	($17,921,723)
Fire Safety Plan	91,866,234	37,637,806	($6,917,259)
Miscellaneous Plan	109,017,707	38,506,090	(19,464,348)

Source: City.

For additional information relating to the City's pension plans, see Note 10 to the City's audited financial statements set forth in Appendix C.

Other Post-Employment Benefits

The City provides post-employment health care benefits to qualified retired employees. Employees are eligible for such benefits in accordance with applicable MOUs with employee bargaining units. The City administers a single-employer defined benefit post-employment healthcare plan (the "OPEB Plan"). A menu of benefit provisions, as well as other requirements, are established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance.

At June 30, 2024 (the census date), the following employees were covered by the benefit terms:

Category	*Count*
Active employees	1,286
Inactive employees or beneficiaries currently receiving benefit payments	713
Inactive employees entitled to but not yet receiving benefit payment	240

Source: City.

The City funds benefits under the OPEB Plan based on an Actuarially Determined Contribution (the "ADC"). For the year ended June 30, 2024, the City's ADC contribution rate was 0.91% of covered employee payroll. Employees do not contribute to the plan, but may pay the difference between the benefit that they receive and monthly premiums for that benefit.

GASB has issued two pronouncements, known as GASB 74 and GASB 75, related to funding and accounting for the OPEB Plan. Under these pronouncements, OPEB Plan benefits are intended to be accounted for in a manner that is similar to the accounting treatment of pensions under GASB 68. See the caption "—Retirement Contributions." Under GASB 74 and 75, unfunded OPEB Plan benefits will be recognized on the City's financial statements and the City is required to use the Entry Age actuarial cost method when calculating OPEB Plan liabilities. In addition, a 20-year municipal bond rate is used to discount unfunded OPEB Plan payments and the long-term rate of return on plan investments is used to discount benefits that are projected to be paid by plan assets.

The City retained a consultant (the "Actuarial Consultant") to calculate the City's post-employment benefits funding status. In a report dated August 20, 2025 (the "Report"), the Actuarial Consultant concluded that the City's Net OPEB liability is $15,681,657 with the measurement date of June 30, 2024. The City is not required to fund the amortization of the unfunded actuarial liability. Prior to Fiscal Year 2019-20, the City's policy was to pay for OPEB Plan costs as they are incurred. In Fiscal Year 2019-20, the City Council approved the establishment of an irrevocable trust to fund OPEB Plan benefits (the "OPEB Trust") with the California Employers' Retiree Benefit Trust, an agent multiple-employer plan that is administered by CalPERS, and approved and authorized an agreement with CalPERS to administer the OPEB Trust on its behalf. As of June 30, 2024, the City held $182,342,812 in the OPEB Trust. Based on the most recent actuarial valuation, the actuarial unfunded liability of the OPEB Plan was estimated to be approximately $15,681,657 using a methodology that is compliant with GASB 75. For Fiscal Year 2023-24, the City also paid $7,695,646 in post-employment health care benefits.

Changes in the total liability for the City's OPEB Benefit plan for Fiscal Year 2024-25 were as follows.

CITY OF ONTARIO
CHANGES IN OPEB PLAN LIABILITY

	Increase / (Decrease)		
	Total OPEB Plan Liability	**Plan Fiduciary Net Position**	**Net OPEB Plan Liability / (Asset)**
Balance at June 30, 2024 (June 30, 2023 measurement date)	$189,927,802	$164,683,608	$25,244,194
Net Changes in fiscal year	8,096,667	17,659,204	(9,562,537)
Balance at June 30, 2025 (June 30, 2024 measurement date)	$198,024,469	$182,342,812	$15,681,657

Source: City.

The following table presents the net liability of the OPEB Plan, calculated using the current discount rate, for the measurement period June 30, 2024 (6.25%), as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.25%) or 1 percentage point higher (7.25%) than the current rate:

CITY OF ONTARIO
SENSITIVITY OF THE OPEB PLAN TOTAL LIABILITY
TO CHANGES IN THE DISCOUNT RATE

	Discount Rate – 1% (5.25%)	**Current Discount Rate (6.25%)**	**Discount Rate + 1% (7.25%)**
Plan's Total Liability/(Asset)	$43,722,570	$15,681,657	$(7,195,369)

Source: City.

Future changes in funding policies and assumptions, including those related to assumed rates of investment return and healthcare cost inflation, could trigger increases in the City's annual required OPEB Plan

contributions, and such increases could be material to the finances of the City. No assurance can be provided that such expenses will not increase significantly in the future. The City does not expect that any increased funding of OPEB Plan benefits will have a material adverse effect on the ability of the City to pay the 2026 Bonds.

For additional information relating to the City's OPEB Plan, see Note 11 to the City's audited financial statements set forth in Appendix C.

City Investment Policy

The City invests its funds in accordance with the City's investment policy (the "Investment Policy"), which was most recently reviewed and revised by the City Council on December 2, 2025. The Investment Policy (a) describes the policies and procedures to be utilized in the City's investment management system; (b) establishes guidelines for the prudent investment of the City's funds, and (c) lists and describes suitable investments. The goals of the City's Investment Policy and investment management function are compliance with law, enhancement of the economic status of the City and protection of the City's funds by limiting credit and market risks.

In accordance with Section 53600 *et seq*. of the California Government Code, idle cash management and investment transactions are the responsibility of the City Treasurer. Eligible investments are generally limited to the Local Agency Investment Fund which is operated by the California State Treasurer, local agency bonds, United States Treasury bills, notes and bonds, obligations issued by United States Government agencies, FDIC insured or negotiable certificates of deposit, repurchase agreements, banker's acceptances, and commercial paper rated in the highest ranking and issued by certain domestic corporations among other considerations. Funds are invested in the following order of priority:

- Safety of Principal;
- Liquidity; and
- Return on Investment.

The City Treasurer is required to provide a quarterly report to the City Manager and the City Council showing the type of investment, date of maturity, amount invested, current market value, rate of interest, and other such information as may be required by the City Council.

A summary of the City's investments as of June 30, 2025 is set forth in the below table. The total investment portfolio as of June 30, 2025, was $928,186,967.

CITY OF ONTARIO
SUMMARY OF INVESTMENTS[1]

	Investment Maturity			
Investment Type	**6 Months to 1 Year**	**1 to 3 Years**	**3 to 5 Years**	**Total**
United States Treasury Obligations	$89,529,350	$ 92,052,520	$60,327,650	$241,909,520
Federal Agency Obligations	86,701,480	36,674,875	19,934,700	143,311,055
Medium Term Corporate Notes	22,739,366	28,615,092	40,064,100	91,418,558
Asset-Backed Securities	-	-	24,423,051	24,423,051
Supranational	9,766,200	4,988,950	5,004,700	19,759,850
California Asset Management Program	16,958,617	-	-	16,958,617
Local Agency Investment Fund	35,431,176	-	-	35,431,176
Subtotals	$261,126,189	$162,331,437	$149,754,201	$573,211,827
Investment with Fiscal Agents:				
Money Market Funds	349,865,380	-	-	349,865,380
Totals	$610,991,569	$162,331,437	$149,754,201	$923,077,207

(1) Totals may not add due to rounding.
Source: City.

For additional information relating to the City's investments, see Note 2 to the City's audited financial statements set forth in Appendix C.

City Insurance

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City has established self-insurance funds to finance uninsured risks of loss up to a maximum of $750,000 for each workers' compensation claim and $1,000,000 for each general liability claim. For workers' compensation claims in excess of amounts provided by its internal fund, the City maintains coverage from a private carrier for claims up to the statutory requirements. For general liability claims in excess of amounts provided by its internal fund, the City maintains coverage from the Authority for California Cities Excess Liability ("ACCEL"). ACCEL maintains a shared risk pool for claims up to $4,000,000, with private carriers covering amounts in excess thereof. City is self-insured for unemployment liability claims. The City will pay all claims based on the individual reimbursement account method, as provided by the State of California. Claims have not exceeded the City's insurance coverage in any of the last three years.

The City purchases all-risk, replacement cost value property insurance coverage through ACCEL up to a maximum amount of $500,000,000, including a $750,000 sublimit for unscheduled assets. Certain portions of the Water System, including pipelines that are located more than 1,000 feet from City-owned above-ground infrastructure, are not covered by the City's property insurance except for the $750,000 sublimit that is described in the previous sentence. In addition, the City does not maintain insurance coverage for earthquake damage. See the caption "CERTAIN RISKS TO BONDHOLDERS—Natural Disasters."

The City has not paid or settled any claims that exceeded its insurance coverage in the past three years.

See Appendix B under the caption "COVENANTS OF THE CITY—Insurance" for a description of insurance coverages that are required to be maintained while the 2026 Bonds are outstanding.

Economic Development in the City

The City has established itself as a premier destination for corporate expansion into the Western United States, supported by a diverse and growing economic base. Home to more than 14,000 businesses, the City benefits from a strategic location and an extensive transportation network. Ontario International Airport continues to be a major driver of economic activity, offering both commercial and cargo services. The City is also connected to three major highways-Interstate 10, Interstate 15, and State Route 60-providing seamless access to regional and national markets. Additionally, two major rail lines further enhance the City's logistical capabilities, while the City's proximity to the Ports of Los Angeles and Long Beach facilitates international trade.

These advantages have attracted significant investment and development, leading to a growing tax base and increasing property values. Several major residential, commercial, and industrial projects currently underway will further bolster the City's economic strength by increasing property tax revenues and sales tax collections.

Ontario Ranch. Ontario Ranch is located in the southern portion of the City near the western boundary of the County. Ontario Ranch spans 13.5 square miles and is the largest master-planned community in Southern California. The area covers 8,200 acres of the former 14,000-acre San Bernardino Agricultural Preserve, historically used for dairy and cattle farming by Dutch, French Basque, Portuguese, and Mexican families. In 1999, the preserve was divided, with portions incorporated into Chino, Chino Hills, and Ontario. Ontario Ranch, continues the legacy of innovative land development that was initiated with the original Model Colony of Ontario established in 1882 by the Chaffey Brothers, including water rights distribution with land purchases, the grand boulevard (Euclid Avenue), and Chaffey College (1885).

While much of Ontario Ranch remains undeveloped, construction of numerous planned communities on the east side are either completed or in progress. At full buildout, Ontario Ranch is expected to include

approximately 69,000 residential units, approximately 12 million square feet of commercial and office development, and approximately 31 million square feet of industrial space. Ontario Ranch will also feature ten new schools and over 400 acres of public parkland.

Currently, Ontario Ranch has a population of approximately 30,000 with 2,150 employed in the area. Population growth is accelerating at an annual rate of 11.26%, and the community has been consistently ranked as California's top-selling master-planned community by John Burns Research and Consulting. The future Ontario Sports Empire will further enhance Ontario Ranch's status as a premier residential and recreational destination.

Ontario Sports Empire. Currently under construction and expected to be completed in 2026, the Ontario Sports Empire is a 200-acre sports and entertainment complex designed to attract 1.2 million visitors annually. The facility will be home to the new Los Angeles Dodgers single-A team, the Ontario Tower Buzzers. The development will feature a 6,000-seat Professional Baseball stadium, a vibrant stadium village with restaurants, entertainment venues, and a hotel, as well as professional-quality soccer, baseball, and softball fields. Additionally, the complex will include a state-of-the-art youth sports training facility. This project is anticipated to generate substantial tax revenue and create more than 600 full-time jobs. Its completion will further solidify Ontario's position as a regional center for sports and entertainment.

2026 Special Election. In a special election held on March 24, 2026, the voters in the City voted on two initiatives, Measure V and Measure W, initiated by the national labor union, Unite Here, regarding the hospitality industry, including hotels. The ballot measures would, among other things, require the City to set a minimum wage for hotel workers in the City up to $30 per hour by 2030 and limit daily housekeeping workloads, subject to City oversight. The other measure would overturn the City Council's approval of a planned hotel at the Ontario Convention Center and require voter approval on future hotel and event center projects, including those similar to facilities planned within and near the 2026 Project. Neither Measure V nor Measure W were approved at the special election.

Ontario Grand Park. Ontario Grand Park, an integral part of Ontario Ranch, will span approximately 340 acres and extend over 3.7 miles, serving as a major recreational and open space asset for the City. Phase 1, covering approximately 130 acres in the eastern portion of Ontario Ranch, is currently under construction and is expected to be completed by 2030. Once fully developed, the park will provide a variety of public amenities, enhancing the quality of life for Ontario residents and visitors alike.

Toyota Arena. The City is significantly upgrading the Toyota Arena and its surrounding entertainment district to enhance its role as a major sports and entertainment hub. Planned improvements include a new plaza with 26,000 square feet of commercial, office, and retail space, as well as the development of approximately 384 multi-family residential units. The plaza will also feature outdoor entertainment areas, concession kiosks, and dedicated public gathering spaces. These enhancements will increase visitor engagement and generate long-term economic benefits for the City.

Ontario International Airport Redevelopment. Between 1994 to 2011, the City acquired multiple residential properties that were adversely impacted by noise from Ontario International Airport operations. The City has since initiated efforts to redevelop these properties with land uses that align with Ontario International Airport's long-term growth strategy. As part of this initiative, the Ontario International Airport Authority ("Airport Authority") has received 226 parcels under its noise land program, with plans to sell these properties for commercial and industrial development in Fiscal Year 2026-27. This effort is expected to drive business activity, support regional economic growth, and further establish the City as a leading logistics hub.

Manufacturing and Distribution. With 120 million square feet of industrial space and over 240 logistics establishments, the City remains a key player in global trade and distribution. The City continues to attract major industrial investments, creating job opportunities and expanding economic base. The HUB at Ontario International Airport is a logistics complex that a private developer is building on 215 acres ONT owns just east of the airport. When complete, the complex will include nine warehouses totaling 4.3 million square feet of logistics space that will support goods movement, generate revenue and create jobs for the region.

Ontario Ranch recently welcomed the world's largest Amazon fulfillment center, a 4.5 million-square-foot facility capable of processing up to 50 million items for local, national, and global distribution. The facility is expected to create 2,000 new jobs, reinforcing the City's status as a critical logistics and distribution hub in the Western United States.

Ontario International Airport. The OIAA continues to expand services and investment in ONT. The Southern California gateway reported 7,084,864 passengers in 2024, 10.2% more than 2023 and 27% more than pre-pandemic 2019, making it the fastest growing among medium- and large-size airports in California. The 2024 count also represents a 67% increase since 2016, when ONT was transferred to local control from the City of Los Angeles. OIAA will upgrade and expand the TSA security area for a faster and smoother travel experience and is repaving and adding underground infrastructure improvements to Airport Drive in front of ONT to accommodate continued growth of the airport.

THE AUTHORITY

The Authority was organized pursuant to the provisions of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the State Government Code and that certain Joint Exercise of Powers Agreement, dated as of June 1, 2013, by and between the City and the Housing Authority. The Authority has no financial liability to the Owners of the 2026 Bonds with respect to the payment of Base Rental Payments by the City or with respect to the performance by the City of the other agreements and covenants that the City is required to perform.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

There are a number of provisions of the State Constitution that limit the ability of the City to raise and expend tax revenues.

Article XIIIA of the State Constitution

On June 6, 1978, State voters approved an amendment (commonly known as both Proposition 13 and the Jarvis-Gann Initiative) to the State Constitution. The amendment, which added Article XIIIA to the State Constitution, among other things affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975/76 tax bill under 'full cash value,' or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year, or reduced in the event of declining property value caused by damage, destruction or other factors including a general economic downturn. The amendment further limits the amount of any *ad valorem* tax on real property to 1% of the full cash value, except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to December 1, 1978, and bonded indebtedness for the acquisition or improvement of real property approved on or after December 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition (55% in the case of certain school facilities). Property taxes that are subject to Proposition 13 are a significant source of the City's General Fund revenues. See the caption "CITY FINANCIAL INFORMATION."

Legislation enacted by the State Legislature to implement Article XIIIA provides that all taxable property is shown at full assessed value as described above. Tax rates for voter approved bonded indebtedness are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIIIA (for new construction, change of ownership or 2% annual value growth) is allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts share the growth of "base" revenue from the tax rate area. Each year's growth allocation becomes part of each agency's allocation the following year. Article XIIIA effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, and to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in certain other limited circumstances.

Article XIIIB of the State Constitution

At the Statewide special election on November 6, 1979, the voters approved an initiative entitled "Limitation on Government Appropriations," which added Article XIIIB to the State Constitution. Under Article XIIIB, State and local government entities have an annual "appropriations limit" which limits the ability to spend certain money which are called "appropriations subject to limitation" (consisting of tax revenues and investment proceeds thereof, certain State subventions and regulatory license fees, user charges and user fees to the extent that the proceeds thereof exceed the costs of providing such services, together called "proceeds of taxes," and certain other funds) in an amount higher than the "appropriations limit." Article XIIIB does not affect the appropriation of moneys which are excluded from the definition of "appropriations limit," including debt service on indebtedness existing or authorized as of October 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the "appropriations limit" is to be based on certain 1978-79 expenditures and is to be adjusted annually to reflect changes in the consumer price index, population and services provided by these entities. Among other provisions of Article XIIIB, if those entities' revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

To the best of the City's knowledge, the City's appropriations have never exceeded the limitation on appropriations under Article XIIIB of the State Constitution.

Proposition 62

A statutory initiative ("Proposition 62") was adopted by the voters of the State at the November 4, 1986 general election which: (a) requires that any tax for general governmental purposes imposed by local governmental entities be approved by resolution or ordinance adopted by two-thirds vote of the governmental agency's legislative body and by a majority of the electorate of the governmental entity; (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters within the jurisdiction; (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax is imposed; (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIIIA; (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities; and (f) requires that any tax that is imposed by a local governmental entity on or after August 1, 1985 be ratified by a majority vote of the electorate within two years of the adoption of the initiative or be terminated by November 15, 1988. The requirements imposed by Proposition 62 were upheld by the State Supreme Court in *Santa Clara County Local Transportation Authority v. Guardino*, 11 Cal.4th 220 (1995).

Proposition 62 applies to the imposition of any taxes or the implementation of any tax increases after its enactment in 1986, but the requirements of Proposition 62 are largely subsumed by the requirements of Proposition 218 for the imposition of any taxes or the effecting of any tax increases after November 5, 1996. See the caption "—Proposition 218" below.

Proposition 218

On November 5, 1996, State voters approved Proposition 218, an initiative measure entitled the "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. Proposition 218 states that all taxes imposed by local governments are deemed to be either general taxes or special taxes. Special purpose districts, including school districts, have no power to levy general taxes. No local government may impose, extend, or increase any general tax unless and until such tax is submitted to the electorate and approved by a majority vote. No local government may impose,

extend or increase any special tax unless and until such tax is submitted to the electorate and approved by a two-thirds vote.

Proposition 218 also provides that no tax, assessment, fee or charge may be assessed by any agency upon any parcel of property or upon any person as an incident of property ownership except: (a) the *ad valorem* property tax imposed pursuant to Articles XIII and XIIIA of the State Constitution; (b) any special tax receiving a two-thirds vote pursuant to the State Constitution; and (c) assessments, fees and charges for property-related services as provided in Proposition 218. Proposition 218 then goes on to add voter requirements for assessments and fees and charges imposed as an incident of property ownership, other than fees and charges for sewer, water, and refuse collection services. In addition, all assessments and fees and charges imposed as an incident of property ownership, including sewer, water and refuse collection services, are subjected to various additional procedures, such as hearings and stricter and more individualized benefit requirements and findings.

Proposition 218 also extended the initiative power to reducing or repealing any local taxes, assessments, fees and charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. No assurance, however, can be given that the voters of the City will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges that currently are deposited into the City's General Fund.

Although a portion of the City's General Fund revenues are derived from general taxes purported to be governed by Proposition 218, as discussed under the caption "CITY FINANCIAL INFORMATION — Other Taxes," all of such taxes were imposed in accordance with the requirements of Proposition 218. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges which support the City's General Fund.

Unitary Property

Some amount of property tax revenue of the City is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions ("unitary property"). Under the State Constitution, such property is assessed by the CDTFA as part of a "going concern" rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by the CDTFA, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the City) according to a statutory formula that is generally based on the distribution of taxes in the prior year.

Proposition 22

On November 2, 2010, State voters approved Proposition 22, which eliminates the State's ability to borrow or shift local revenues and certain State revenues that fund transportation programs. Proposition 22 restricts the State's authority over a broad range of tax revenues, including property taxes allocated to cities (including the City), counties and special districts, the VLF, State excise taxes on gasoline and diesel fuel, the State sales tax on diesel fuel, and the former State sales tax on gasoline. It also makes a number of significant other changes, including restricting the State's ability to use motor vehicle fuel tax revenues to pay debt service on voter-approved transportation bonds.

Proposition 26

On November 2, 2010, State voters approved Proposition 26. Proposition 26 amends Article XIIIC of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (a) a charge imposed for a specific benefit conferred or

privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (b) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (c) a charge imposed for the reasonable regulatory costs of a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders and the administrative enforcement and adjudication thereof; (d) a charge imposed for entrance to or use of local government property, or the purchase, rental or lease of local government property; (e) a fine, penalty or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (f) a charge imposed as a condition of property development; and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The City does not believe that Proposition 26 will adversely affect its General Fund revenues.

Future Initiatives

Articles XIIIA and XIIIB and Propositions 62, 218, 22 and 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting the City's current revenues or its ability to raise and expend revenues.

RISK FACTORS

Prospective purchasers of the 2026 Bonds should consider carefully all possible factors that may affect the ability of the City to pay Base Rental Payments under the Lease Agreement. The 2026 Bonds may not be a suitable investment for all prospective purchasers.

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the 2026 Bonds. The following, however, does not purport to be an exhaustive listing of risks and other considerations which may be relevant to an investment in the 2026 Bonds and there can be no assurance that other risk factors will not become material in the future. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

General Considerations – Security for the 2026 Bonds

The 2026 Bonds are special obligations of the Authority, payable solely from Base Rental Payments. Neither the faith and credit nor the taxing power of the Authority, the City, the State or any political subdivision thereof is pledged to the payment of the 2026 Bonds. The Authority has no taxing power.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City, the County, the State or any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City, the County or the State is obligated to levy or pledge any form of taxation or for which the City, the County or the State has levied or pledged any form of taxation.

Although the Lease Agreement does not create a pledge, lien, or encumbrance upon the funds of the City, the City is obligated under the Lease Agreement to pay the Base Rental Payments and Additional Rental Payments from any source of legally available funds, and the City has covenanted in the Lease Agreement to take such action as may be necessary to include all such Base Rental Payments and Additional Rental Payments due thereunder in its annual budgets, and to make necessary annual appropriations for all such Base Rental Payments and Additional Rental Payments, subject to abatement. The City is currently liable and may become liable on other obligations payable from general revenues. See the caption "CITY FINANCIAL INFORMATION—Other Indebtedness—General Fund-Supported Debt."

The City has the capacity to enter into other obligations which may constitute additional charges against its revenues, including pension obligations and essential services. To the extent that additional obligations are incurred by the City, the funds available to make Base Rental Payments may be decreased. In the event that the City's revenue sources are less than its total obligations, the City could choose to fund other activities before making Base Rental Payments. The same result could occur if, because of State Constitutional limits on expenditures, the City is not permitted to appropriate and spend all of its available revenues. To the best of the City's knowledge, however, the City's appropriations have never exceeded the limitation on appropriations under Article XIIIB of the State Constitution. See the caption "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Article XIIIB of the State Constitution."

Abatement

In the event of substantial interference with the City's right to use and occupy any portion of the Property by reason of damage to or destruction or condemnation of the Property, or any defects in title to the Property, the Base Rental Payments will be subject to abatement. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Abatement." The amount of abatement will be such that the resulting payments of Base Rental Payments and Additional Rental Payments do not exceed the fair rental value for the use and possession of the remaining portions of the Property as to which the City has beneficial use and occupancy and as to which such damage or destruction or defect in title do not substantially interfere.

In the event that such portion of the Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the City's rental interruption insurance will be available in lieu of the Base Rental Payments, plus the period in which funds are available from the funds and accounts established under the Indenture, or in the event that casualty insurance proceeds are insufficient to provide for complete repair or replacement of such portion of the Property or redemption of the 2026 Bonds, there could be insufficient funds to make payments to Owners in full.

It is not always possible to predict the circumstances under which abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. For example, it is not clear whether fair rental value is established as of commencement of the lease or at the time of the abatement. If the latter, the value of the Property could be substantially higher or lower than its value at the time of the issuance of the 2026 Bonds. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the 2026 Bonds.

If damage, destruction, title defect or eminent domain proceedings with respect to the Property results in abatement of the Base Rental Payments and if such abated Base Rental Payments, if any, together with moneys from rental interruption or use and occupancy insurance (in the event of any insured loss due to damage or destruction), and eminent domain proceeds, if any, are insufficient to make all payments of principal and interest with respect to the 2026 Bonds during the period that the Property is being replaced, repaired or reconstructed, then all or a portion of such payments of principal and interest may not be made. Under the Lease Agreement and the Indenture, no remedy is available to the 2026 Bond Owners for nonpayment under such circumstances.

Initiative and Referendum

The ability of the City to comply with its covenants under the Lease Agreement and to generate revenues that are sufficient to pay Base Rental Payments may be adversely affected by actions and events outside the control of the City, including without limitation actions taken (or not taken) by voters. Under the State Constitution, voters of the State have the ability to initiate legislation and require a public vote on legislation passed by the State Legislature through the powers of initiative and referendum, respectively. The Authority and the City are unable to predict whether any such initiatives might be submitted to or approved by the voters, the nature of such initiatives, or their potential impact on the City and its operations. See the caption "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Future Initiatives." See also "PLAN OF FINANCE – 2026 Project."

Insurance on the Property

Under the Lease Agreement, the City is required to maintain through the term of the Lease Agreement policies of insurance covering loss or damage to the Property in an amount equal to the greater of 100% of the replacement cost of such improvements or 100% of the outstanding principal amount of the 2026 Bonds and covering title defects. Additionally, the City is required to maintain rental interruption insurance in the amount equal to two (2) years maximum annual Base Rental Payments. If the Property is damaged or destroyed, there can be no assurance that the insurance proceeds will be sufficient to repair or restore the Property, or to redeem or defease all of the then-Outstanding 2026 Bonds. In addition, neither the Authority nor the City can provide any assurance as to whether the provider of an insurance policy will pay under such policy. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Insurance" for a description of the insurance coverages that are required by the Lease Agreement. See the caption "THE CITY—Risk Management" for a description of the City's current insurance coverages. Certain risks, such as earthquakes and floods, are not required to be covered under the Lease Agreement unless available at reasonable rates and the City does not currently maintain such coverage.

Condemnation of the Property

If all of the Property (or portions thereof such that the remainder is not usable for the public purposes by the City) is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the term of the Lease Agreement will cease as of the day possession is taken. If less than all of the Property is taken permanently, or if the Property or any part thereof is taken temporarily, under the power of eminent domain, and the remainder is usable for public purposes by the City at the time of such taking: (a) the Facilities Sublease will continue in full force and effect as to such remainder, and will not be terminated by virtue of such taking; and (b) there will be a partial abatement of Base Rental Payments as a result of the application of insurance proceeds of any eminent domain award to the prepayment of the Base Rental Payments, in an amount to be agreed upon by the City and the Authority such that the resulting Base Rental Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Property.

If all or a portion of the Property were condemned, there can be no assurance that any such award or payment will be sufficient at the time to prepay or defease all of the then-Outstanding 2026 Bonds. If the award is less than the amounts remaining on such Outstanding 2026 Bonds, then the Owners will be paid less than the amounts remaining on such Outstanding 2026 Bonds.

Value of Property

In the event that the Trustee re-enters or re-lets the Property upon the occurrence of an Event of Default, there can be no assurance such actions will provide funds in an amount that is sufficient to pay the principal of and interest on the 2026 Bonds. The security under the Lease Agreement extends only to the Authority's leasehold interest in the Property and is subject to the restrictions of the Lease Agreement and all other use restrictions applicable to the Property. The Property have not been appraised in connection with the issuance of the 2026 Bonds.

No Acceleration of Base Rental Payments

Nothing in the Lease Agreement permits the Authority or the Trustee to accelerate Base Rental Payments. Although the Trustee is entitled to pursue all available remedies under the Indenture, there can be no assurance that sufficient funds will be available at the time to redeem or defease all of the then-Outstanding 2026 Bonds.

Certain Risks Associated with Sales Tax and Other Local Tax Revenues

Sales and use tax revenues are consistently among the largest sources of General Fund revenues of the City. See the caption "CITY FINANCIAL INFORMATION."

Sales and use tax revenues are based upon the gross receipts of retail sales of tangible goods and products by retailers with taxable transactions in the City, which could be impacted by a variety of factors. For example, in times of economic recession, the gross receipts of retailers often decline, and such a decline would cause the sales tax revenues received by the City to decline. An economic recession would also be expected to affect hotel occupancy within the City, and consequently, the City's receipt of transient occupancy taxes. See the captions "CITY FINANCIAL INFORMATION."

In addition, changes or amendments in the laws applicable to the City's receipt of sales tax revenues or other local taxes, whether implemented by State legislative action or voter initiative, could have an adverse effect on sales tax revenues received by the City. See the caption "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS."

Many categories of transactions are exempt from the Statewide sales tax, and additional categories could be added in the future. Currently, most sales of food products for human consumption are exempt; this exemption, however, does not apply to liquor or to restaurant meals. The rate of sales tax levied on taxable transactions in the City or the fee charged by the CDTFA for administering the City's sales tax could also be changed.

Assessed Value of Taxable Property

Property taxes are consistently among the largest sources of General Fund revenues of the City. Natural and economic forces can affect the assessed value of taxable property within the City. The City is located in a seismically active region, and damage from an earthquake in or near the area could cause extensive damage to taxable property. Other natural or manmade disasters, such as flood, fire, wildfire, ongoing drought, toxic dumping, erosion, civil unrest or acts of terrorism, could cause a reduction in the assessed value of taxable property within the City. See the captions "—Natural Disasters" and "—Hazardous Substances."

In addition, economic and market forces, such as a downturn in the regional economy, could affect assessed values, particularly as these forces might reverberate in the residential housing and commercial property markets as has been experienced in the past. The total assessed value could also be reduced through the reclassification of taxable property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes).

Reductions in the market values of taxable property may cause property owners to appeal assessed values and may also be associated with an increase in delinquency rates for property taxes. Section 2(b) of Article XIIIA of the State Constitution and Section 51 of the State Revenue and Taxation Code, which were adopted pursuant to Proposition 8 in 1978, require the County assessor to annually enroll either a property's adjusted base year value (the "Proposition 13 Value") or its current market value, whichever is less. When the current market value replaces the higher Proposition 13 Value on the assessor's roll, such lower value is referred to as the "Proposition 8 Value."

Although the annual increase for a Proposition 13 Value is limited to no more than 2%, the same restriction does not apply to a Proposition 8 Value. The Proposition 8 Value of a property is reviewed annually as of January 1; the current market value must be enrolled as long as the Proposition 8 Value falls below the Proposition 13 Value. Thus, any subsequent increase or decrease in market value is enrolled regardless of any percentage increase or decrease. Only when a current Proposition 8 Value exceeds the Proposition 13 Value attributable to a piece of property (adjusted for inflation) does a county assessor reinstate the Proposition 13 Value.

Decreases in the assessed value of taxable property within the City resulting from a natural disaster or other calamity, economic recession, reclassification by ownership or use or as a result of the implementation of Proposition 8 all may have an adverse impact on property tax collections by the City, and consequently, the General Fund revenues that are available to make Base Rental Payments.

Dependence on State for Certain Revenues

A number of the City's revenues are collected and dispersed by the State (such as sales taxes and the VLF) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. In the event of a material economic downturn in the State, there can be no assurance that any resulting revenue shortfalls to the State will not reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of the State's efforts to address any such related State financial difficulties.

Although the State's ability to undertake such revenue reductions or shifting has been limited by provisions of the State Constitution, as described under the caption "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Proposition 22," declining revenues and fiscal difficulties that arose in the State commencing in 2009 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools until a later date in the fiscal year or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies.

Litigation

The City may be or become a party to litigation that has an impact on the General Fund. Although the City maintains certain insurance policies that provide liability coverage under certain circumstances and with respect to certain types of incidents (as discussed under the caption "THE CITY—Risk Management"), the City cannot predict what types of liabilities may arise in the future. See the caption "LITIGATION."

Natural Disasters

The occurrence of any natural disaster in the City, including, without limitation, fire, wildfire, windstorm, drought, earthquake, landslide, mudslide or flood, could have an adverse material impact on the economy within the City, its General Fund and the revenues available for the payment of Base Rental Payments. The City is not required to do maintain earthquake insurance by the Lease Agreement unless such insurance is available at reasonable rates. See the captions "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Insurance" and "THE CITY—Risk Management."

Earthquakes are considered a threat to the City due to the highly active seismic region and the proximity of fault zones, which could influence the entire coastal portion of the State. There are also likely to be unmapped faults in or near the City. Seismically induced ground shaking has affected the City in the past and is expected to affect the City in the future.

An earthquake along one of the faults in the vicinity of the City, either known or unknown, could cause a number of casualties and extensive property damage. The effects of an earthquake could be aggravated by aftershocks and secondary effects such as fires, landslides, dam failure, liquefaction, floods and other threats to public health, safety and welfare. The potential direct and indirect consequences of a major earthquake could easily exceed the resources of the City and would require a high level of self-help, coordination and cooperation.

In recent years, wildfires have caused extensive damage throughout the State. In some instances, entire neighborhoods have been destroyed. Several of the fires that occurred in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. Some commentators believe that climate change will lead to even more frequent and more damaging wildfires in the future. Additionally, wildfires increase the risk of mudslides in areas that are surrounded by hillsides because, when wildfires scorch land, they destroy all vegetation on mountains and hillsides. As a result, when heavy rain falls in the winter, there is nothing to stop the rain from penetrating directly into the soil. In addition, waxy compounds in plants and soil that are released during fires create a natural barrier in the soil that prevents rain water from seeping deep into the ground. The result is erosion, mudslides and excess water running off the hillsides often causing

flash flooding. In general, property damage due to wildfire or mudslides could result in a significant decrease property tax and other revenues received by the City.

The occurrence of natural disasters in the City could result in substantial damage to the City and the Property which, in turn, could substantially reduce General Fund revenues and affect the ability of the City to make Base Rental Payments or cause an abatement in Base Rental Payments if the City is unable to use and occupy the Property. The City maintains liability insurance, rental interruption insurance and property casualty insurance for the Property. See the caption "THE CITY—Risk Management." However, there can be no assurance that specific losses will be covered by insurance or, if covered, that claims will be paid in full by the applicable insurers.

Climate Change

The State has historically been susceptible to wildfires and hydrologic variability. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods and heat waves, and raising sea levels. The future fiscal impact of climate change on the City is difficult to predict, but it could be significant and it could have a material adverse effect on the General Fund by requiring greater expenditures to counteract the effects of climate change or by changing the operations and activities of City residents and business establishments.

Loss of Tax Exemption

As discussed under the heading "TAX MATTERS," the interest (and original issue discount) on the 2026D Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the 2026D Bonds, as a result of acts or omissions of the Authority or the City in violation of its covenants in the Indenture and the Lease Agreement. Should such an event of taxability occur, the 2026D Bonds would not be subject to a special redemption and would remain outstanding until maturity or until redeemed under the redemption provisions contained in the Indenture.

Cybersecurity

Municipal agencies, like other business entities, face significant risks relating to the use and application of computer software and hardware.

The City employs a multi-layer cyber protection scheme that includes third party consultant assistance, next-generation firewalls, anti-virus software, anti-spam/malware software, intrusion detection/prevention, domain name system filtering services, duplicate systems in a disaster recovery site and multiple copies of all information that is backed up. The City implements recommended strategies suggested by security vendors and makes internal system changes as needed. Over eight years ago, the City experienced a successful ransomware attack that affected a small number of files. The City was able to immediately isolate the issue and recover. The City has not experienced a successful attack against its network and servers since the above security measure have been put in place. There can be no assurance that a future attack or attempted attack would not result in the disruption of City operations. The City, however, expects that any such disruptions would be temporary in nature due to its backup/restore procedures and disaster recovery planning.

Hazardous Substances

A condition that may result in the reduction in the assessed value of property, and therefore property tax revenue available to pay Base Rental Payments, would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within the City. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but State laws with regard to hazardous substances are also stringent and similar in effect. Under many of these laws, the owner or operator may be required to remedy a hazardous substance

condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the City be affected by a hazardous substance, could be to reduce the marketability and value of such property by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The City and the Authority have not independently verified, but are not aware of, the presence of any hazardous substances on the Property. Hazardous substance liabilities may arise in the future with respect to any of the property in the City resulting from the existence, currently, of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Additionally, such liabilities may arise from the method of handling such substance. These possibilities could significantly affect the value of a parcel.

Additional City Obligations

The Base Rental Payments under the Lease Agreement are payable from funds that are lawfully available to the City. The City is currently liable for other obligations payable from general revenues of the City. The City has the authority to enter into other obligations that constitute additional claims on such general revenues, including Additional Bonds payable from a lease of the Property. To the extent that the City incurs additional obligations, the funds available to make Base Rental Payments may be decreased. See the captions "CITY FINANCIAL INFORMATION—Other Indebtedness—General Fund-Supported Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Additional Bonds."

Remedies

Upon an Event of Default under the Indenture, the Trustee may exercise certain remedies under the Indenture and the Lease Agreement. In the event of a monetary default under the Indenture, the Trustee has the right to enter and take possession of the Property, and the Trustee may hold, operate and manage the Property and apply revenues therefrom toward payment of the 2026 Bonds. There can be no assurance that the Trustee will be able to realize from such actions an amount that is sufficient to pay the principal of and interest on the 2026 Bonds. In addition, the Trustee may incur significant operating costs in connection with the Property.

Limitation on Trustee's Obligations under the Indenture

The Trustee has no obligation to advance its own funds to pursue any remedies. As a consequence, the Trustee's willingness and ability to pursue any of the remedies provided in the Indenture and the Lease Agreement may be dependent upon the availability of funds from an interested party. Additionally, the Trustee is not required to acquire possession of the Property if doing so subjects it to potential liability. There can be no assurance that the Trustee will be willing and able to perform its duties under the Indenture.

Release of Property; Additional Bonds

The Authority and the City may amend the Lease Agreement to substitute or release a portion of the Property upon compliance with all of the conditions set forth in the Lease Agreement. After a substitution or release, the portion of the Property for which the substitution or release has been effected will be released from the leasehold encumbrance of the Lease Agreement. Moreover, the City may issue Additional Bonds secured by Base Rental Payments which are increased above current levels. See the captions "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Substitution, Release of, or Addition to the Property" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Additional Bonds."

Although the Lease Agreement requires, among other things, that the Property, as constituted after such substitution or release, have an annual fair rental value at least equal to the maximum Base Rental Payments for the Property coming due in the then-current Fiscal Year or in any subsequent Fiscal Year, it does not require that the Property have an annual fair rental value equal to the annual fair rental value of the Property prior to the substitution release of any portion thereof. Thus, a portion of the Property could be replaced with less valuable

real property, or could be released altogether. Such a substitution or release could have an adverse impact on the security for the 2026 Bonds, particularly if an event requiring abatement of the Base Rental Payments were to occur subsequent to such substitution or release.

Upon the issuance of Additional Bonds, the Lease Agreement will be amended, to the extent necessary, so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount that is sufficient to pay the principal of and interest on such Additional Bonds; provided, however, that no such amendment may be made such that the sum of such Base Rental Payments, including any increase in Base Rental Payments as a result of such amendment, plus Additional Rental Payments, in any Fiscal Year is in excess of the annual fair rental value of the Property after taking into account the use of the proceeds of any Additional Bonds issued in connection therewith. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE 2026 BONDS—Additional Bonds" for a full description of the requirements that must be met in order for the City to deliver Additional Bonds.

Limitations on Enforceability

General. The enforcement of any remedies that are provided for in the Lease Agreement and the Indenture could prove both expensive and time consuming. The rights and remedies provided in the Lease Agreement and the Indenture may be limited by and are subject to: (i) the limitations on legal remedies against cities in the State, including State constitutional limits on expenditures and limitations on the enforcement of judgments against funds that are needed to serve the public welfare and interest; (ii) federal bankruptcy laws, as now or later enacted, as discussed in detail under the subcaption "—Bankruptcy" below; (iii) applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or later in effect; (iv) equity principles which may limit the specific enforcement under State law of certain remedies; (v) the exercise by the United States of America of the powers delegated to it by the federal Constitution; and (vi) the reasonable and necessary exercise, in certain exceptional situations, of the police powers that are inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the Owners of the 2026 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

The legal opinions that will be delivered concurrently with the issuance of the 2026 Bonds will be qualified, as to the enforceability of the 2026 Bonds, the Indenture, the Lease Agreement and other related documents, by bankruptcy, insolvency, reorganization, moratorium, arrangement, fraudulent conveyance and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases, and to the limitations on legal remedies against counties in the State.

Failure by the City to pay Base Rental Payments or failure to observe and perform any other terms, covenants or conditions of the Lease Agreement for a period of 30 days after written notice of such failure and request that it be remedied has been given to the City by the Trustee constitute Events of Default under the Indenture and permit the Trustee or the Authority to pursue the remedies that are described in the Lease Agreement and Indenture. Upon an Event of Default, there is no right under any circumstances to accelerate Base Rental Payments or otherwise declare any Base Rental Payment that is not then in default to be immediately due and payable, nor do the Authority or the Trustee have any right to re-enter or re-let the affected Property, except to the limited extent that is described in the Lease Agreement, and only to the extent of the Authority's leasehold interest under the Lease Agreement. Rather, if the City defaults on its obligation to pay Base Rental Payments with respect to such Property, the Trustee must sue to recover Base Rental Payments on an annual basis.

Alternatively, the Authority or the Trustee may terminate the Lease Agreement, retake possession of the Property and proceed against the City to recover damages pursuant to the Lease Agreement. Due to the specialized and limited nature of the Property (as discussed under the caption "THE PROPERTY"), it is unlikely that 2026 Bond Owners would be able to generate rental income that is sufficient to make all payments of principal of and interest on the 2026 Bonds when due. Moreover, the Trustee is not empowered to sell the fee interest in the Property (which is owned by the City) for the benefit of the Owners of the 2026 Bonds. Any suit

for money damages against the City would be subject to limitations on legal remedies against cities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest.

Bankruptcy. Enforceability of the rights and remedies of the Owners of the 2026 Bonds, and the obligations incurred by the City, may become subject to the provisions of Title 11 of the United States Code (the "Bankruptcy Code") and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or later in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the federal Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against cities in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the Owners of the 2026 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights. Under Chapter 9 of the Bankruptcy Code, which governs the bankruptcy proceedings of public agencies such as the City, involuntary petitions are not permitted. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the Owners of the 2026 Bonds, the Trustee and the Authority could be prohibited from taking any steps to enforce their rights under the Lease Agreement or from taking any steps to collect amounts due from the City under the Lease Agreement.

In particular, if the City were to become a debtor under the Bankruptcy Code, the City would be entitled to all of the protective provisions of the Bankruptcy Code as applicable in a Chapter 9 case. Among the adverse effects of such a bankruptcy might be: (i) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the City or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the City, and which could prevent the Trustee from making payments from funds in its possession; (ii) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (iii) the existence of unsecured or secured debt which may have a priority of payment that is superior to that of Owners of the 2026 Bonds; and (iv) the possibility of the adoption of a plan (an "Adjustment Plan") for the adjustment of the City's various obligations over the objections of the Trustee or all of the Owners of the 2026 Bonds and without their consent, which Adjustment Plan may restructure, delay, compromise or reduce the amount of any claim of the Owners if the Bankruptcy Court finds that such Adjustment Plan is "fair and equitable" and in the best interests of creditors. The Adjustment Plans approved by the Bankruptcy Courts in connection with the bankruptcies of the cities of Vallejo, San Bernardino and Stockton resulted in significant reductions in the amounts payable by the cities under lease revenue obligations that were substantially identical or similar to the 2026 Bonds. The City can provide no assurances about the outcome of the bankruptcy cases of other California municipalities or the nature of any Adjustment Plan if it were to file for bankruptcy.

In addition, the City could either reject the Lease Agreement or assume the Lease Agreement despite any provision of such documents that makes the bankruptcy or insolvency of the City an event of default thereunder. If the City rejects the Lease Agreement, the Trustee, on behalf of the Owners of the 2026 Bonds, would have a pre-petition unsecured claim that may be substantially limited in amount, and this claim would be treated in a manner under an Adjustment Plan over the objections of the Trustee or Owners of the 2026 Bonds. Moreover, such rejection would terminate the Lease Agreement and the City's obligations to make payments thereunder. The City may also be permitted to assign the Lease Agreement to a third party, regardless of the terms of the transaction documents.

Secondary Market

There can be no guarantee that there will be a secondary market for the 2026 Bonds, or, if a secondary market exists, that the 2026 Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing in connection with a particular issue is suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then prevailing circumstances. Such prices could be substantially different from the original purchase price.

In addition, the City has entered into a continuing disclosure undertaking in connection with the 2026 Bonds. Any material failure to comply with such undertaking in the future may adversely affect the liquidity of the affected 2026 Bonds and their market price in the secondary market.

Covenant to Budget and Appropriate

Under the Lease Agreement, the City has covenanted to take such actions as are necessary to include the Base Rental Payments and the estimated Additional Rental Payments in its annual budgets and to make the necessary annual appropriations for all such Base Rental Payments and Additional Rental Payments. Such covenant is deemed to be a duty imposed by law, and it is the duty of the public officials of the City to take such actions and do such things as are required by law in the performance of the official duty of such officials to enable such entity to carry out and perform such covenants. A court, however, in its discretion may decline to enforce such covenant. Upon execution and delivery of the 2026 Bonds, Bond Counsel will render its opinion (substantially in the form of Appendix D) to the effect that, subject to certain limitations and qualifications, the Lease Agreement constitutes a valid and binding obligation of the City.

Federal Funding

The federal government provides funding for several City programs. On January 20, 2025, President Trump issued a series of executive orders, which include ensuring that federal funds are used in a manner approved by the current administration. In response to and in an effort to carry out such orders, on January 27, 2025, the White House Office of Management and Budget ("OMB") released its Memorandum M-25-13, Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs (the "OMB Memorandum"). The OMB Memorandum directed federal agencies to temporarily pause all activities related to obligation or disbursement of all federal financial assistance, and said temporary pause was to become effective at 5:00 p.m. on January 28, 2025. The OMB Memorandum caused mass confusion as to whether certain Federal funding and grants would be paused. On January 28, 2025, shortly before the OMB Memorandum became effective, a federal judge blocked the pause on federal funding. On January 29, 2025, OMB rescinded the OMB Memorandum. Although the OMB Memorandum was rescinded, the executive orders are in effect and the matter is ongoing as spending reviews continue. On January 31, 2025, a federal judge issued a temporary restraining order prohibiting the administration from pausing, freezing, impeding, blocking, canceling, or terminating federal financial assistance obligations to the states. Responding to the petition of several state Attorneys General, on February 10, 2025, a federal judge issued an Enforcement Order clarifying the scope of temporary restraining order and ordering the Trump Administration to release federal funds and comply with the earlier order. The Trump Administration's request to stay the temporary restraining order was denied. The City cannot predict any action to be taken in carrying out the executive orders, but anticipates that any termination in federal funding will not have a material impact on the City's finances.

TAX MATTERS

2026C Bonds. In the opinion of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, interest on the 2026C Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code but interest (and original issue discount) on the 2026C Bonds is exempt from State of California personal income tax.

Except for certain exceptions, the difference between the issue price of a 2026C Bond (the first price at which a substantial amount of the 2026C Bonds of the same maturity is to be sold to the public) and the stated redemption price at maturity with respect to such 2026C Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by the Bond Owner of a 2026C Bond will increase the Bond Owner's basis in the 2026C Bond. Bond Owners of 2026C Bonds should consult their own tax advisors with respect to taking into account any original issue discount on the 2026C Bonds.

In the event of a legal defeasance of a 2026C Bond, such bond might be treated as retired and "reissued" for federal tax purposes as of the date of the defeasance, potentially resulting in recognition of taxable gain or

loss to the applicable Bond Owner of the 2026C Bond, generally equal to the difference between the amount deemed realized from the deemed redemption and reissuance of the Bond Owner's adjusted tax basis in such bond.

The amount by which a Bond Owner's original basis of a 2026C Bond for determining gain or loss on sale or exchange of the applicable 2026C Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which the Bond Owner of a 2026C Bond may elect to amortize under Section 171 of the Code. Such amortizable bond premium reduces the Bond Owner's basis in the applicable 2026C Bond (and the amount of taxable interest received). The basis reduction as a result of the amortization of bond premium may result in the Bond Owner of a 2026C Bond realizing a taxable gain when a 2026C Bond is sold by the Bond Owner for an amount equal to or less (under certain circumstances) than the original cost of the 2026C Bond to the Bond Owner. The Bond Owners of the 2026C Bonds that have a basis in the 2026C Bonds that is greater than the principal amount of the 2026C Bonds should consult their own tax advisors with respect to whether or not they should elect to amortize such premium under Section 171 of the Code.

The federal tax and state personal income tax discussion set forth above with respect to the 2026C Bonds is included for general information only and may not be applicable depending upon a Bond Owner's particular situation. The ownership and disposition of the 2026C Bonds and the accrual or receipt of interest with respect to the 2026C Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences.

A copy of the proposed form of opinion of Bond Counsel with respect to the 2026C Bonds is attached hereto in Appendix D.

2026D Bonds. In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the 2026D Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. However, it should be noted that, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), generally certain corporations with more than $1,000,000,000 of average annual adjusted financial statement income, interest (and original issue discount) with respect to the 2026D Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the 2026D Bonds is exempt from State of California personal income tax.

The excess of the stated redemption price at maturity of a 2026D Bond over the issue price of a 2026D Bond (the first price at which a substantial amount of the 2026D Bonds of the same maturity is to be sold to the public) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by the Bond Owner will increase the Bond Owner's basis in the 2026D Bond. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the Bond Owner of the 2026D Bond is excluded from the gross income of such owner for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, the respective amount of original issue discount that accrues to the Bond Owners is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the 2026D Bonds is based upon certain representations of fact and certifications made by the Authority, the City and others and is subject to the condition that the Authority and the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the 2026D Bonds to assure that interest (and original issue discount) on the 2026D Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the 2026D Bonds to be included in gross income for federal income

tax purposes retroactive to the date of issuance of the 2026D Bonds. The Authority and the City have covenanted to comply with all such requirements.

The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable 2026D Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the Bond Owner's basis in the applicable 2026D Bond (and the amount of tax-exempt interest received with respect to the 2026D Bonds), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a 2026D Bond Owner realizing a taxable gain when a 2026D Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the 2026D Bond to the Owner. Purchasers of the 2026 Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

The IRS has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2026D Bonds will be selected for audit by the IRS. It is also possible that the market value of the 2026D Bonds might be affected as a result of such an audit of the 2026D Bonds (or by an audit of similar municipal obligations). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the 2026D Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the 2026D Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE 2026d BONDS, THERE MIGHT BE FEDERAL, STATE OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE OR LOCAL TAX TREATMENT OF THE 2026D BONDS, INCLUDING THE IMPOSITION OF ADDITIONAL FEDERAL INCOME OR STATE TAXES ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE 2026D BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE 2026D BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE 2026D BONDS STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR JUDICIAL OR REGULATORY INTERPRETATIONS WILL NOT OCCUR HAVING THE EFFECTS DESCRIBED ABOVE. BEFORE PURCHASING ANY OF THE 2026D BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE 2026D BONDS.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the 2026D Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to any 2026D Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth LLP.

Although Bond Counsel has rendered an opinion that interest (and original issue discount) on the 2026D Bonds is excluded from gross income for federal income tax purposes provided that the Authority and the City continue to comply with certain requirements of the Code, the ownership of the 2026D Bonds and the accrual or receipt of interest (and original issue discount) on the 2026D Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the 2026D Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the 2026D Bonds.

Should interest (and original issue discount) on the 2026D Bonds become includable in gross income for federal income tax purposes, the 2026D Bonds are not subject to early redemption and will remain outstanding until maturity or until redeemed in accordance with the Indenture.

A copy of the proposed forms of opinions of Bond Counsel is set forth in Appendix D.

CERTAIN LEGAL MATTERS

The valid, legal and binding nature of the 2026 Bonds is subject to the approval of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, acting as Bond Counsel. The form of such legal opinion is attached hereto as Appendix D, and such legal opinion will be attached to each 2026 Bond. Certain legal matters will be passed upon for the City by Best Best & Krieger LLP, Riverside, California, as Disclosure Counsel, and by Best Best & Krieger LLP, Ontario, California, the City Attorney, for the Underwriter by its counsel, Kutak Rock LLP, Irvine, California, and for the Trustee by its counsel.

From time to time Disclosure Counsel serves as counsel to the Underwriter with respect to transactions other than the issuance of the 2026 Bonds.

MUNICIPAL ADVISOR

The Authority has retained Urban Futures, Inc., Walnut Creek, California (the "Municipal Advisor") as municipal advisor in connection with the sale of the 2026 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained herein.

The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

LITIGATION

At the time of issuance of the 2026 Bonds, the Authority and the City will deliver certificates substantially to the effect that there is no litigation then pending or threatened to restrain or enjoin the issuance of the 2026 Bonds or in any way contesting or affecting the validity of the 2026 Bonds, the Lease Agreement, any proceedings of the Authority or the City taken with respect to the delivery or sale of the 2026 Bonds, the pledge or application of any money or security provided for the payment of the 2026 Bonds, the existence or powers of the Authority or the City or the title of any officers of the Authority or the City to their respective positions, or the outcome of which could materially adversely affect the ability of the City to make the Base Rental Payments.

UNDERWRITING

The 2026 Bonds will be purchased by Samuel A. Ramirez & Co., Inc. (the "Underwriter"), pursuant to a purchase contract, dated the date hereof (the "Purchase Contract"), by and among the City, the Authority and the Underwriter. Under the Purchase Contract, the Underwriter has agreed to purchase all, but not less than all, of the 2026C Bonds for a purchase price of $_____ (representing the principal amount of the 2026C Bonds, less an Underwriter's discount of $_____, plus an original premium of $_____) and all, but not less than all, of the 2026D Bonds for a purchase price of $_____ (representing the principal amount of the 2026D Bonds, less an Underwriter's discount of $_____, plus an original premium of $_____). The Purchase Contract provides that the Underwriter will purchase all of the 2026 Bonds if any are purchased, the obligation to make such a purchase being subject to certain terms and conditions set forth in the Purchase Contract, the approval of certain legal matters by counsel and certain other conditions.

The initial public offering prices stated on the inside cover page of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the 2026 Bonds to certain

dealers (including dealers depositing 2026 Bonds into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

RATINGS

S&P has assigned the rating of "[__]" (stable outlook) and Fitch has assigned the rating of "[__]" (stable outlook) to the 2026 Bonds.

There is no assurance that any credit rating that is given to the 2026 Bonds will be maintained for any period of time or that a rating may not be qualified, downgraded, lowered or withdrawn entirely by S&P or Fitch if, in the judgment of S&P or Fitch, circumstances so warrant. Any such qualification, downgrade, lowering or withdrawal of a rating may have an adverse effect on the market price of the 2026 Bonds. The ratings reflect only the views of S&P or Fitch (which views and criteria could change at any time), and an explanation of the significance of such ratings may be obtained from S&P or Fitch, as applicable. Generally, a rating agency bases its ratings on the information and materials furnished to it (which may include information and material from the City that is not included in this Official Statement) and on investigations, studies and assumptions of its own.

The City has covenanted in a Continuing Disclosure Certificate to file notices of any rating changes on the 2026 Bonds with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. See the caption "CONTINUING DISCLOSURE" and Appendix E. Notwithstanding such covenant, information relating to rating changes on the 2026 Bonds may be publicly available from the rating agencies prior to the time that such information is provided to the City and prior to the date by which the City is obligated to file a notice of rating change. Purchasers of the 2026 Bonds are directed to the rating agencies and their respective websites and official media outlets for the most current ratings with respect to the 2026 Bonds after the initial issuance of the 2026 Bonds.

CONTINUING DISCLOSURE

The City has covenanted in a Continuing Disclosure Certificate, dated the date of issuance of the 2026 Bonds, for the benefit of the holders and Beneficial Owners of the 2026 Bonds, to provide certain financial information and operating data relating to the City by not later than April 1 following the end of the City's Fiscal Year (currently its Fiscal Year ends on June 30) (the "Annual Report"), commencing on April 1, 2027 with the report for the Fiscal Year ending June 30, 2026, and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of enumerated events will be filed by the City with EMMA, which is maintained on the Internet at http://emma.msrb.org/. The specific nature of the information to be contained in the Annual Report and the notices of enumerated events is set forth in Appendix E. These covenants have been made in order to assist the Underwriter in complying with subsection (b)(5) of Rule 15c2-12.

The City and its related governmental entities (the "City Entities") for whom City staff is responsible for undertaking compliance with continuing disclosure undertakings have previously entered into numerous disclosure undertakings under Rule 15c2-12 in connection with the issuance of long-term obligations. In order to ensure ongoing compliance with its continuing disclosure undertakings, the City has designated staff members within the Financial Services Agency with the responsibility of ensuring timely and complete filings. In addition, the City has retained an outside consultant to conduct periodic reviews of City compliance. The City's debt management policy includes continuing disclosure compliance policies and procedures. See the caption "CITY FINANCIAL INFORMATION—General Economic Condition and Outlook of the City—Fiscal Policies—Debt Management Policy."

Within the last five years, the City and the City Entities have not failed to timely comply with their respective prior continuing disclosure obligations under Rule 15c2-12 in all material respects except that certain information with respect to outstanding indebtedness of the City was not included in the Fiscal Year 2021 annual report for the Ontario Public Financing Authority 2017 Lease Revenue Refunding Bonds, the City of Ontario 2020 Taxable Pension Obligations Bonds and the Ontario Public Financing Authority 2021 Lease Revenue Refunding Bonds, Series A (Federally Taxable); the City's Fiscal Years 2020-21, 2022-23, and 2023-24 audited financial statements were not available at the time of the filing of 2021, 2023 and 2024 respective annual reports,

but have since been posted and such information is included in the notes to the City's Fiscal Year 2020-21, 2022-23, and 2023-24 audited financial statements.

FINANCIAL INTERESTS

The fees being paid to the Underwriter, Bond Counsel, and counsel to the Underwriter are contingent upon the issuance and delivery of the 2026 Bonds.

MISCELLANEOUS

The Authority and the City have approved and authorized the preparation, execution and distribution of this Official Statement. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such, and are not representations of fact. This Official Statement is not to be construed as an agreement or contract among any of the City, the Authority and the purchasers or holders of any 2026 Bonds.

ONTARIO PUBLIC FINANCING AUTHORITY

By:_____
Executive Director

CITY OF ONTARIO

By:_____
City Manager

APPENDIX A

DEMOGRAPHIC AND ECONOMIC INFORMATION

The following information is presented as general background data. The 2026 Bonds are payable solely from moneys of the City as described in the Official Statement. The taxing power of the City, the County, the State of California or any political subdivision thereof is not pledged to the payment of the 2026 Bonds.

Introduction

City of Ontario. The City is located in southwestern San Bernardino County (the "County"), approximately 35 miles east of Los Angeles near the intersection of Interstates 10 and 15 in the area of southern California known as the "Inland Empire." The City is adjacent to the cities of Upland, Montclair, Chino and Rancho Cucamonga. The City had a population of approximately 184,404 as of January 1, 2025 and covers approximately 50 square miles. The City was incorporated in 1891 and is a general law city operating under a council/manager form of government.

The City is a full service city and provides police and fire protection, street construction and maintenance, parks and recreational programs, water and sewer utilities and arts, cultural and social programs. The City also operates a municipal golf course, convention center and sports and entertainment arena (the Toyota Arena, which opened in 2008).

San Bernardino County. The County was established by an act of the State Legislature on April 26, 1853. Located in the southern portion of the State, the County covers 20,105 square miles, making it the largest county in the United States. The County has a population of over 2 million and extends from dense suburban development in the southwest portion of the County near the Los Angeles urban area to large expanses of desert and federally owned land in the eastern portion of the County, which stretches to the Nevada border.

Population

The table below summarizes population of the City, the County, and the State of California for the last five calendar years.

CITY OF ONTARIO, SAN BERNARDINO COUNTY AND CALIFORNIA
Population

Year[(1)]	City of Ontario	County of San Bernardino	State of California
2016	169,491	2,122,579	39,103,587
2017	172,858	2,139,520	39,352,398
2018	175,083	2,150,017	39,519,535
2019	178,606	2,165,876	39,605,361
2020[(2)]	175,297	2,181,654	39,538,223
2021	175,907	2,179,941	39,369,530
2022	178,591	2,183,077	39,179,680
2023	180,707	2,182,351	39,228,444
2024	182,875	2,200,351	39,420,663
2025	184,404	2,207,424	39,529,101

(1) As of January 1.
(2) As of April 1.
Source: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and State, 2015-2019, with 2010 Benchmark; E-4 Population Estimates for Cities, Counties and State, 2020-2025, with 2020 Benchmark.

Employment

The following table summarizes historical employment and unemployment for the County, the State of California and the United States for the last five calendar years.

SAN BERNARDINO COUNTY, CALIFORNIA AND UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year and Area	Labor Force	Employment[2]	Unemployment[3]	Unemployment Rate (%)
2021				
City of Ontario	88,300	82,200	6,200	7.0%
San Bernardino County	989,400	915,500	73,900	7.4
State of California	18,954,600	17,564,900	1,389,700	7.3
United States	161,204,000	152,581,000	8,623,000	5.3
2022				
City of Ontario	90,500	87,000	3,500	3.8
San Bernardino County	1,000,100	958,100	42,000	4.2
State of California	19,218,300	18,393,900	824,400	4.3
United States	164,287,000	158,291,000	5,996,000	3.6
2023				
City of Ontario	92,700	88,800	3,900	4.2
San Bernardino County	1,014,800	967,900	46,800	4.6
State of California	19,471,000	18,551,800	919,200	4.7
United States	167,116,000	161,037,000	6,080,000	3.6
2024				
City of Ontario	93,800	89,500	4,400	4.6
San Bernardino County	1,027,800	975,200	52,600	5.1
State of California	19,644,100	18,600,900	1,043,100	5.3
United States	168,547,000	161,661,000	6,886,000	4.1
2025[4]				
City of Ontario	95,000	89,700	5,300	5.6
San Bernardino County	1,042,700	977,700	65,100	6.2
State of California	19,824,400	18,621,700	1,202,800	6.1
United States	170,342,000	163,106,000	7,236,000	4.2

Note: Data is not seasonally adjusted.
(1) Annual averages, unless otherwise specified.
(2) Includes persons involved in labor-management trade disputes.
(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.
(4) As of July 2025.
Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2024 Benchmark.

Major Industries in the City

The table below sets forth the ten largest employers in the City in Fiscal Year 2024-25.

CITY OF ONTARIO
Major Employers – Fiscal Year 2024-25

Employer	*Number of Employees*[1]
United Parcel Service	5,000 - 9,999
Atlantic Solutions Group, Inc.	1,000 - 4,999
Ontario Montclair Elementary School	1,000 - 4,999
Workforce Personnel, Inc.	1,000 - 4,999
DAL Global Services, Inc.	1,000 - 4,999
City of Ontario	1,000 - 4,999
Employee Force Provider, Inc.	1,000 - 4,999
Kaiser Foundation Hospitals	1,000 - 4,999
Chaffey Union High School District	1,000 - 4,999
CRST Van Expedited, Inc.	1,000 - 4,999

(1) Per EDD, the Employment numbers are confidential and only the data for the range of numbers of employees are available.
Source: City's Annual Comprehensive Fiscal Report for Fiscal Year ended June 30, 2025.

The following table sets out the largest employers in the County:

COUNTY OF SAN BERNARDINO
MAJOR EMPLOYERS
Fiscal Year 2024-25

Rank	Name of Business	Approximate No. of San Bernardino County Employees[1]	Type of Business
1	Loma Linda University Medical Center	≥10,000	Medical Center
2	San Bernardino County	≥10,000	Public Administration
3	Amazon	≥10,000	Electronic Commerce
4	Dignity Health Community Hospital of San Bernardino	≥10,000	Medical Center
5	Ontario International Airport	5,000-9,999	Airport
6	Bear Mountain	1,000-4,999	Ski Resort
7	Burlington Distribution Corp	1,000-4,999	Distribution
8	California State University, San Bernardino	1,000-4,999	Education
9	Environmental Systems Research Institute	1,000-4,999	Research
10	FedEx Ground	1,000-4,999	Postal

(1) Due to confidentiality of reporting number of employees, ranges have been provided.
Source: San Bernardino County Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2025.

Residents of the City find employment throughout the Riverside-San Bernardino-Ontario Labor Market Area. This labor market area, as defined for reporting purposes by the California Employment Development Department, has boundaries coterminous with those of Riverside and San Bernardino Counties. The following table sets forth certain employment data for the Riverside - San Bernardino-Ontario Metropolitan Statistical Area and the County for the period from 2021 through 2025.

RIVERSIDE-SAN BERNARDINO-ONTARIO METROPOLITAN STATISTICAL AREA
INDUSTRY EMPLOYMENT & LABOR FORCE - BY ANNUAL AVERAGE

	2021	2022	2023	2024	2025[1]
Civilian Labor Force	2,120,600	2,148,700	2,171,500	2,209,100	2,240,900
Civilian Employment	1,964,300	2,058,400	2,068,800	2,093,800	2,098,500
Civilian Unemployment	156,300	90,200	102,700	115,300	142,400
Civilian Unemployment Rate	7.4%	4.2%	4.7%	5.2%	6.4%
Total Farm	13,700	13,800	13,200	13,700	13,000
Total Nonfarm	1,575,100	1,660,200	1,681,000	1,700,400	1,694,800
Total Private	1,333,100	1,410,200	1,420,700	1,430,200	1,426,800
Goods Producing	207,700	216,300	215,300	212,900	205,800
Mining & Logging	1,400	1,500	1,500	1,600	1,500
Construction	110,100	114,700	115,400	116,200	111,900
Manufacturing	96,100	100,000	98,500	95,200	92,400
Service Providing	1,367,400	1,443,900	1,465,700	1,487,500	1,489,000
Trade, Transportation & Utilities	443,200	464,900	457,900	456,400	450,400
Wholesale Trade	67,400	69,500	68,900	68,600	68,700
Retail Trade	177,000	181,000	183,000	182,600	180,500
Transportation, Warehousing & Utilities	198,800	214,400	206,000	205,200	201,200
Information	12,500	13,000	13,300	13,000	12,800
Financial Activities	45,200	46,000	44,900	44,100	42,700
Professional & Business Services	166,600	173,900	164,400	161,800	160,800
Private Education & Health Services	254,300	267,900	287,800	306,000	320,700
Leisure & Hospitality	160,200	180,900	187,600	185,300	182,700
Other Services	43,600	47,400	49,400	50,700	50,900
Government	242,000	250,000	260,200	270,200	268,000
Total, All Industries	1,588,800	1,674,000	1,694,100	1,714,100	1,707,800

[1] As of July 2025.

Note: Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households and persons involved in labor-management trade disputes. Employment reported by place of work. Items may not add to total due to independent rounding. The "Total, All Industries" data is not directly comparable to the employment data found in this Appendix E.

Source: State of California, Employment Development Department, March 2024 Benchmark.

The following tables show the personal income and per capita personal income for the City, County, State of California and United States from 2015 through 2025.

PERSONAL INCOME
City of Ontario, County of San Bernardino, State of California, and United States
2015-2025

Year	City of Ontario	County of San Bernardino	California	United States
2015	$3,224,189	$74,258,677	$2,097,049,575	$15,467,113,000
2016	3,159,733	77,453,102	2,191,138,011	15,884,741,000
2017	3,444,006	80,031,472	2,295,048,653	16,658,962,000
2018	3,474,794	83,514,331	2,411,055,136	17,514,402,000
2019	3,826,610	89,202,022	2,539,747,399	18,349,584,000
2020	4,114,067	99,003,275	2,770,488,779	19,613,059,000
2021	4,566,417	109,157,423	3,019,215,724	21,484,168,000
2022	4,392,483	108,075,879	3,021,645,501	22,144,814,000
2023	4,778,601	111,575,931	3,182,779,295	23,577,208,000
2024	5,351,829	119,551,968	3,400,237,317	24,897,613,000
2025	5,553,880	- (1)	- (1)	- (1)

Note: Dollars in Thousands.
(1) Data not yet available.
Source: U.S. Department of Commerce, Bureau of Economic Analysis and City of Ontario Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2025.

PER CAPITA PERSONAL INCOME(1)
City of Ontario, County of San Bernardino, State of California, and United States
2015-2025

Year	City of Ontario	County of San Bernardino	California	United States
2015	$19,068	$35,176	$53,816	$48,062
2016	18,601	36,417	55,862	48,974
2017	19,761	37,305	58,214	51,006
2018	19,761	38,655	60,984	53,311
2019	21,129	41,078	64,219	55,567
2020	22,237	45,341	70,100	59,151
2021	24,682	49,824	77,134	64,692
2022	24,682	49,214	77,196	66,298
2023	26,687	50,698	81,196	70,002
2024	29,332	53,991	86,232	73,204
2025	30,118	- (2)	- (2)	- (2)

(1) Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. All dollar estimates are in current dollars (not adjusted for inflation).
(2) Data not yet available.
Source: City of Ontario Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2025; Bureau of Economic Analysis for County, State and U.S.

Construction Activity

The following tables reflect building permit valuations for the City and the County for the five most recent calendar years for which information is available.

CITY OF ONTARIO
Building Permits and Valuation
(Dollars in Thousands)

	2020	2021	2022	2023	2024
Permit Valuation:					
New Single-family	$101,990	$134,735	$133,332	$182,845	$ 36,582
New Multi-family	8,459	15,378	38,669	147,416	60,710
Res. Alterations/Additions	3,709	6,315	4,884	6,218	4,884
Total Residential	114,158	156,428	176,885	336,479	102,176
Total Nonresidential	125,537	516,481	371,120	421,377	514,186
Total All Building	$239,695	$672,909	$548,005	$757,856	$616,362
New Dwelling Units:					
Single Family	472	737	737	581	193
Multiple Family	74	22	40	369	399
Total	546	759	777	950	592

Note: Columns may not sum to totals due to independent rounding.
Source: Construction Industry Research Board: "Building Permit Summary."

Transportation

Because Ontario is a major hub for passengers and freight, the City is also served by several major freeways. Interstate 10 and the Pomona Freeway (State Route 60) run east-west through the City. Interstate 10 is north of the Ontario airport while the Pomona freeway is south of the airport. Interstate 15 runs in the north-south directions at the eastern side of the City. State Route 83, also known as Euclid Avenue, also runs in the north-south direction at the western side of the City.

The City maintains an Amtrak station which is served by the Sunset Limited and Texas Eagle lines. Ontario also has a Metrolink station off of Haven Avenue. It connects Ontario with much of the Greater Los Angeles area, Orange County and the San Fernando Valley. Public bus transportation is provided by Omnitrans. Rail service is provided by Burlington Northern Santa Fe and Union Pacific.

The Ontario International Airport is a medium-hub, full-service airport, which offers more than 90 daily flights to cities in the U.S., Mexico and Taiwan and is served by AeroMexico, Alaska Airlines, American Airlines, Avianca, China Airlines, Delta Air Lines, Frontier, JetBlue, Southwest Airlines, Starlux Airlines, United Airlines/United Express and Volaris. The airport's service area includes a population of approximately 18.7 million in San Bernardino and Riverside counties, and portions of Orange and Los Angeles counties. The Ontario International Airport was previously operated by the Department of Airports of the City of Los Angeles (the "Department"). Following protracted litigation among the Department, the City of Ontario and the Ontario International Airport Authority, a joint powers authority was formed by the City of Ontario and the County of San Bernardino (the "Airport Authority"). The Airport Authority assumed ownership and control of the management and operation of the Ontario International Airport on November 1, 2016.

With approximately 570,000 square feet and 28 passenger gates within two terminals and one international terminal, Ontario International Airport is the Western States Regional Terminal for United Parcel

Service, as well as facilities for Amazon and FedEx cargo shipments. In 2024 approximately 7.1 million passengers used the airport and cargo shipments increased approximately 5.5% from the previous year.

APPENDIX B

SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

The following is a summary of certain definitions and provisions of the Lease Agreement and the Indenture which are not described elsewhere in the Official Statement. This summary does not purport to be comprehensive and reference should be made to the Lease Agreement and the Indenture for a full and complete statement of their provisions.

[TO COME FROM BOND COUNSEL]

APPENDIX C

AUDITED FINANCIAL STATEMENTS

APPENDIX D

FORM OF BOND COUNSEL OPINION

Upon the issuance of the 2026 Bonds, Bond Counsel, proposes to render its final approving opinion in substantially the following form:

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

Upon issuance of the 2026 Bonds, the City proposes to enter into a Continuing Disclosure Certificate in substantially the following form:

This Continuing Disclosure Certificate (the "**Disclosure Certificate**") is executed and delivered by the City of Ontario (the "**City**") in connection with the issuance by the Ontario Public Financing Authority (the "**Authority**") of the Authority's Lease Revenue Bonds, Series 2026C (Federally Taxable) and Lease Revenue Bonds, Series 2026D (Tax-Exempt) (together, the "**Bonds**"). The Bonds are being issued pursuant to that certain Indenture, dated as of [June] 1, 2026 (the "**Indenture**"), by and among the City, the Authority and Zion's Bancorporation, National Association., as trustee. The City covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term "Annual Report" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term "Beneficial Owner" means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

EMMA. The term "EMMA" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at http://emma.msrb.org/.

Financial Obligation. The term "Financial Obligation" means a: (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Fiscal Year. The term "Fiscal Year" means the one-year period ending on the last day of June of each year.

Holder. The term "Holder" means a registered owner of the Bonds.

Listed Events. The term "Listed Events" means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

Official Statement. The term "Official Statement" means the Official Statement relating to the Bonds dated _____, 2026 delivered in connection with the issuance of the Bonds.

Participating Underwriter. The term "Participating Underwriter" means the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Rule. The term "Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The City shall provide not later than each April 1 following the end of its Fiscal Year (commencing April 1, 2027 with the Annual Report for Fiscal Year 2025-26) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the City is unable to provide to EMMA an Annual Report by the date required in subsection (a), the City shall send to EMMA in a timely manner a notice in substantially the manner prescribed by the Municipal Securities Rulemaking Board.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The audited financial statements of the City for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Principal amount of the Bonds outstanding.

(c) To the extent not already included in the City's audited financial statements, an update of the information substantially in the form of the following tables or captions in the Official Statement for the Fiscal Year prior to the filing of such Annual Report:

1. Table 2 – General Fund Statement of Revenues, Expenditures and Changes in Fund Balance;

2. Table 3 – General Fund Balance Sheet;

3. Table 4 – Assessed Valuation History;

4. Table 5 – Property Tax Levies and Collections; and

5. Information under the caption "CITY FINANCIAL INFORMATION—Other Indebtedness—General Fund Supported Debt" (provided that such information may be located in the notes to the City's audited financial statements).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission; provided that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further that the City shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the event:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

6. tender offers;

7. defeasances;

8. ratings changes;

9. bankruptcy, insolvency, receivership or similar proceedings; Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person; and

10. default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

2. modifications to the rights of Bondholders;

3. optional, unscheduled or contingent Bond calls;

4. release, substitution or sale of property securing repayment of the Bonds;

5. non-payment related defaults;

6. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

7. appointment of a successor or additional trustee or the change of the name of a trustee; and

8. incurrence of a Financial Obligation of the City, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders.

(c) If the City determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

6. Customarily Prepared and Public Information. Upon request, the City shall provide to any person financial information and operating data regarding the City which is customarily prepared by the City and is publicly available.

7. Termination of Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the City satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the City shall have refused to comply therewith within a reasonable time.

11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Authority, the City, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2026

CITY OF ONTARIO

By: _____
Its: City Manager

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the Authority and the City believe to be reliable, but the Authority and the City take no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the 2026 Bonds, payment of principal, premium, if any, accreted value, if any, and interest on the 2026 Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the 2026 Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2026 Bonds. The 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2026 Bond will be issued for each annual maturity of the 2026 Bonds, each in the aggregate principal amount of such annual maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC is rated AA+ by Standard & Poor's. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2026 Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive bonds representing their ownership interests in 2026 Bonds, except in the event that use of the book-entry system for the 2026 Bonds is discontinued.

To facilitate subsequent transfers, all 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2026 Bonds documents. For example, Beneficial Owners of 2026 Bonds may wish to ascertain that the nominee holding the 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2026 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A 2026 Bond Owner shall give notice to elect to have its 2026 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such 2026 Bond by causing the Direct Participant to transfer the Participant's interest in the 2026 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of 2026 Bond in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the 2026 Bond are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered 2026 Bond to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the 2026 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, 2026 Bonds will be printed and delivered to DTC.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE 2026 Bonds, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE 2026 Bonds CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.