CITY OF ONTARIO

Regular City Council/Housing Authority/Ontario Public Financing Authority Meeting
NOVEMBER 18, 2025

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 Macias

INVOCATION

Pastor Gary Ovitt, Community Christian Fellowship

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.

1. APPROVAL OF MINUTES

Minutes for the regular meetings of the City Council and Housing Authority of October 21, 2025 and approving same as on file in the Records Management Department.

ATTACHMENT: 20251021 Meeting Minutes (Not Official Until Approved)

2. BILLS & PAYROLL

Bills October 17, 2025 through October 30, 2025, and Payroll October 5, 2025 through October 18, 2025.

3. A RESOLUTION APPROVING A PUBLIC PARKS PROCEEDS AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE COUNTY OF SAN BERNARDINO

That the City Council authorize the City Manager, or his designee, to negotiate and execute the Public Parks Proceed Agreement and execute such further documents and take such actions as may be necessary or desirable to carry out the intent of the Agreement.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE PUBLIC PARKS PROCEEDS AGREEMENT WITH THE COUNTY OF SAN BERNARDINO AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND RELATED DOCUMENTS.

ATTACHMENT: Ontario-Reso City Approving Public Proceeds Agreement_01_RM
ATTACHMENT: Ontario - SB County Public Parks Proceeds Agmt - Grand Park^02.docx

4. **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH SELBERT PERKINS DESIGN FOR DESIGN SERVICES FOR THE DEVELOPMENT OF A COMPREHENSIVE DOWNTOWN SIGNAGE AND WAYFINDING MASTER PLAN WITH BRANDING SERVICES**

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Selbert Perkins Design, of Playa del Rey, California, for design services for the development of a comprehensive Downtown Signage and Wayfinding Master Plan and graphic design and branding services, in the amount of $212,000 to increase the not-to-exceed contract amount of $289,500.

ATTACHMENT: Selbert Perkins 1st Amend PSA.docx

5. **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 76 (COMPASS POINTE)**

That the City Council adopt an Ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 76 (Compass Pointe).

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING A SPECIAL TAX WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 76 (COMPASS POINTE)

ATTACHMENT: CFD 76 Compass Pointe Ordinance Levy Tax RM

6. **A CONSTRUCTION CONTRACT WITH AWI BUILDERS, INC. FOR THE CONSTRUCTION OF THE ONTARIO ARENA PLAZA PROJECT**

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Construction Contract with AWI Builders, Inc., of Ontario, California, for the Ontario Arena Plaza Project in the amount of $25,991,911 and authorize a 10% contingency of $2,599,191 for a total not-to-exceed contract amount of $28,591,102; 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: Ontario Arena Plaza Contract - AWI Builders, Inc.

7. **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH RONALD IVIE FOR CONSULTING SUPPORT SERVICES FOR THE ONTARIONET BROADBAND STRATEGIC PLANNING**

That the City Council approve and authorize the City Manager, or his designee, to execute Amendment No. 4 to the Professional Services Agreement with Ronald Ivie, of Boise, ID, for

consulting support services for the OntarioNet Broadband strategic business, operations and technology network planning, and systems project management in the amount of $540,000 for a total not-to-exceed contract amount of $1,800,000 and extending the term of the agreement to June 30, 2029.

ATTACHMENT: Ronald Ivie No.4.docx

8. A PROFESSIONAL SERVICES AGREEMENT WITH TELCON SERVICES, LLC, FOR THE ONTARIONET BROADBAND DESIGN, ENGINEERING, MAPPING, SYSTEM INTEGRATION, AND INSPECTION SERVICES

That the City Council authorize the City Manager, or his designee, to execute a Professional Services Agreement with Telcon Services, LLC, of Eagle, ID, for the OntarioNet Broadband Integration Support services, in the amount of $1,080,000 from December 1, 2025, to November 30, 2028, with the option to extend the agreement for up to two successive one-year periods for a total not-to-exceed contract amount of $1,800,000.

ATTACHMENT: Telcon No.0A PSA.docx

9. ACCEPT AND APPROVE LAW ENFORCEMENT GRANT PROGRAM FOR FISCAL YEAR 2025- 26

That the City Council authorize the City Manager or his designee to execute all documents necessary to accept and approve the Citizen' s Option for Public Safety (COPS) / Enhancing Law Enforcement Activities Subaccount (ELEAS) Grant for Fiscal Year 2025- 26 in the amount of $281,812.

ATTACHMENT: FY 2025 26 COPS State Allocation Letter.pdf

10. AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT (FILE NO. PDA25-003) BETWEEN THE CITY OF ONTARIO AND GDC INVESTMENTS 13, L.P.

That the City Council consider and adopt an Ordinance approving a Development Agreement (File No. PDA25-003) between the City of Ontario and GDC Investments 13 L.P.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECOMMENDING CITY COUNCIL APPROVE FILE NO. PDA25-003, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND GDC INVESTMENTS 13, LP TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE TRACT MAP 20730 (FILE NO. PMTT24-008) LOCATED SOUTH OF CHATHAM STREET, WEST OF CLIFTON STREET, EAST OF AMHERST AVENUE, AND NORTH OF EUCALYPTUS AVENUE, WITHIN PLANNING AREA 11 (RD-7 / ROW TOWNHOMES) OF THE ESPERANZA SPECIFIC PLAN. (APN: 1073-101-05).

ATTACHMENT: File No. PDA25-003_GDC Investments 13 LP^01^EXH A&B&C.pdf
ATTACHMENT: File No. PDA25-003 GDC Investments 13 LP 02 RM
ATTACHMENT: File No. PDA25-003_GDC Investments 13 LP^03^DEV^AGR.doc

11. PROFESSIONAL SERVICES AGREEMENT FOR EMERGENCY COMMUNICATION NURSE SYSTEM (ECNS) SERVICES WITH CONSOLIDATED FIRE AGENCIES (CONFIRE) AND CITY OF ONTARIO

That the City Council authorize the City Manager, or his designee, to execute the Agreement between the Consolidated Fire Agencies (CONFIRE) and the City of Ontario for the provision of Emergency Communication Nurse System (ECNS) services through the Ontario Fire Department with a projected not-to-exceed amount of $333,501.00.

ATTACHMENT: 2025-26_Agreement - City of Ontario (ECNS).v7.pdf

12. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH RMA GROUP FOR ON-CALL GEOTECHNICAL CONSULTING AND MATERIALS TESTING SERVICES FOR THE ONTARIO SPORTS EMPIRE

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 2 to the Professional Services Agreement with RMA Group, of Rancho Cucamonga, California, to provide on-call geotechnical consulting, materials testing, and special inspection services for the Ontario Sports Empire in the amount of $997,740 for a total not-to-exceed contract amount of $3,440,100; 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: RMA Group - Amendment No. 2.pdf

13. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH FREDERICK FISHER & PARTNERS, ARCHITECTS FOR THE ONTARIO MUSEUM OF HISTORY AND ART NORTH WING GALLERY UPGRADE

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 2 to the Design Services Agreement with Frederick Fisher & Partners, Architects, of Los Angeles, California, for additional work for the North Wing Gallery of the Ontario Museum of History and Art in the amount of $30,755 for a total not-to-exceed contract amount of $467,464; 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: Frederick Fisher & Partners, Architects - Amdt No. 2.pdf

14. ACCEPT AND APPROVE LAW ENFORCEMENT GRANT PROGRAM ADDITIONAL AWARD FOR FISCAL YEAR 2024-25

That the City Council authorize the City Manager or his designee to execute all documents

necessary to accept and approve the Citizen's Option for Public Safety (COPS) /Enhancing Law Enforcement Activities Subaccount (ELEAS) Grant growth payment for Fiscal Year 2024-25 in the amount of $284,159.13.

ATTACHMENT: 2025-COPS-GROWTH.pdf

15. A PROFESSIONAL SERVICES AGREEMENT WITH ARCADIS U.S. INC. FOR THE DEVELOPMENT OF A WATER RESOURCES OPTIMIZATION PLAN

That the City Council authorize the City Manager, or designee, to execute a three-year Professional Services Agreement with Arcadis U.S. Inc., of Los Angeles, California, for the development of a Water Resources Optimization Plan for a not-to-exceed amount of $1,579,488 and a term from November 18, 2025 to November 17, 2028, with the option to extend the Agreement for up to two additional one-year terms consistent with City Council approved budgets.

ATTACHMENT: Exhibit A1.pdf
ATTACHMENT: 20251118 PSA with Arcadis^03 AGMT.pdf

16. AN AMENDMENT TO THE SOFTWARE AGREEMENT WITH GREAT LAKES DATA SYSTEMS, INC. TO SUPPORT ONTARIONET BILLING

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 2 to the Professional Services Agreement, with Great Lakes Data Systems (GLDS), Inc., of Wisconsin, increasing the not-to-exceed contract amount to $403,540 and extending the term of the agreement to June 30, 2028.

ATTACHMENT: GLDS No.2.doc

17. AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH CONVERGINT TECHNOLOGIES, LLC FOR ENHANCEMENT OF CITYWIDE VIDEO COVERAGE

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 7 to the Maintenance Services Agreement with Convergint Technologies, LLC, of La Palma, California, increasing the authorized contract amount for the increased Citywide video coverage by $95,053 for a total not-to-exceed amount of $4,485,189.

ATTACHMENT: Convergint-Quote-Ontario-Police-Department-Intersection-Cameras-10.29.2025 (Rev).pdf
ATTACHMENT: Convergint-Quote-Ontario-Police-Department-Intersection-Cameras-10.31.2025 (Grant #2).pdf
ATTACHMENT: Ontario - Amendment_No. 7 10-31-25-convergint tech.pdf

18. PURCHASE OF A NEW REPLACEMENT HELICOPTER AND EQUIPMENT

That the City Council authorize the City Manager, or his designee, to execute a sole source purchase agreement with Airbus Helicopters, of Grand Prairie, Texas in the amount of $4,628,531 for the purchase of a new police helicopter, and execute a purchase agreement with Hangar One Avionics Inc., of Carlsbad, California in the amount of $2,745,248 for the purchase and installation of specialized equipment; and execute a required 30% deposit to Airbus in the amount of $1,388,559.

ATTACHMENT: Exhibit 1_2025 H125-137_9Sept2025.pdf
ATTACHMENT: 20250913-1 H125 Completion Ontario PD.pdf
ATTACHMENT: Airbus Purchase Agreement_2025 H125-137_31Oct2025.pdf

19. APPROVAL OF THE MEMORANDUM OF UNDERSTANDING WITH THE COUNTY OF SAN BERNARDINO FOR THE OPERATION OF THE WEST END NAVIGATIONAL CENTER

That the City Council take the following actions:

A. Approve the Memorandum of Understanding between the City of Ontario, the County of San Bernardino, and the cities of Chino, Chino Hills, Fontana, Montclair, Rancho Cucamonga, Rialto, and Upland for the operation of the West End Navigation Center.
B. Authorize the City Manager, or his designee to execute the MOU and related documents necessary to implement participation.

ATTACHMENT: MOU Operation of Regional Navigation Center

20. AN AGREEMENT WITH THE CITY OF EASTVALE FOR OPERATIONS AND MAINTENANCE OF THE LANDSCAPED MEDIAN ON MILLIKEN AND HAMNER AVENUES

That the City Council approve an Agreement with the City of Eastvale for the shared Operations and Maintenance (O&M) of the landscaped median on Milliken and Hamner Avenues between the State Route (SR) 60 Freeway and Bellegrave Avenue.

ATTACHMENT: 20251118 Landscaped Median O&M Agreement^01 Agreement.docx

21. A RESOLUTION APPROVING A PARKS INCENTIVE REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE COUNTY OF SAN BERNARDINO

That the City Council authorize the City Manager, or his designee, to execute such further documents and take such actions as may be necessary or desirable to carry out the intent of the Agreement.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE PARKS INCENTIVE REIMBURSEMENT AGREEMENT WITH THE COUNTY OF SAN BERNARDINO AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND RELATED DOCUMENTS.

ATTACHMENT: Ontario Reso City Approving Parks Reimbursement Agreement_01_RM
ATTACHMENT: Ontario - SB County Parks Incentive Reimbursement Agmt^02.docx

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.

22. LEASE FINANCING PLAN FOR THE PROPOSED ACQUISITION OF PROPERTY LOCATED AT 9175 EAST CHINO AVENUE

That the City Council authorize 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 financing for the acquisition of real property located at 9175 East Chino Avenue for a period of five (5) years; and
B. The Lease Agreement between the City of Ontario and the Ontario Public Finance Authority; and
C. The Site and Facility Lease between the City of Ontario and Ontario Public Finance Authority; and
D. All documents required to be delivered pursuant to the Lease Agreement and/or Site and Facility Lease, including without limitation the Assignment Agreement and Note.

That the Ontario Public Finance Authority authorize the Executive Director, 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 financing for the acquisition of real property located at 9175 East Chino Avenue for a period of five (5) years; and
B. The Lease Agreement between the City of Ontario and the Ontario Public Finance Authority; and
C. The Site and Facility Lease between the City of Ontario and Ontario Public Finance Authority; and
D. The Assignment Agreement between the Ontario Public Finance Authority and the Ronald and Kristine Pietersma Family Trust.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING PROCEEDINGS AND AGREEMENTS RELATING TO THE FINANCING OF PUBLIC CAPITAL IMPROVEMENTS FOR PUBLIC PURPOSES, APPROVING PREPARATION AND DELIVERY OF A NOTE BY THE ONTARIO PUBLIC FINANCING AUTHORITY AND AUTHORIZING OFFICIAL ACTIONS.

A RESOLUTION OF THE ONTARIO PUBLIC FINANCING AUTHORITY AUTHORIZING THE PREPARATION OF A LEASE REVENUE NOTE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $25,500,000 IN CONNECTION WITH THE FINANCING OF PUBLIC CAPITAL IMPROVEMENTS, AUTHORIZING AND DIRECTING EXECUTION OF A SITE AND FACILITIES LEASE, LEASE AGREEMENT, ASSIGNMENT AGREEMENT, NOTE AND AUTHORIZING OFFICIAL ACTIONS AND EXECUTION OF RELATED DOCUMENTS.

ATTACHMENT: 9175 East Chino Ave Resolution City Approving Bonds 01_RM
ATTACHMENT: 9175 East Chino Ave Reso Authority Authorizing Financing_02_RM
ATTACHMENT: 9175 East Chino Ave Lease Agreement^03.docx
ATTACHMENT: 9175 East Chino Ave Form of Assignment Agreement^04.docx
ATTACHMENT: 9175 East Chino Ave Ontario PFA 2025 - Form of Note^05.docx

ATTACHMENT: 9175 East Chino Ontario PFA 2025 - Site and Facility Lease^06.docx

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

23. QUALIFICATION OF TWO INITIATIVE MEASURE PETITIONS PROPOSING TO REQUIRE VOTER-APPROVED DEVELOPMENT AGREEMENTS FOR MAJOR HOTEL AND EVENT CENTER PROJECTS AND ESTABLISHING HOTEL/HOSPITALITY WORKER PROTECTION AND MINIMUM WAGE REQUIREMENTS

That the City Council receive, file, and accept the certificate(s) of sufficiency of initiative petition signatures as valid in all respects; and order an impact report from Staff for both initiative measures.

ATTACHMENT: Petitions-Certified.pdf

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

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

ADJOURNMENT

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY
MINUTES
OCTOBER 21, 2025
(Not Official Until Approved)

JOINT MEETINGS

The regular meetings of the Ontario City Council and Housing Authority were held on Tuesday, October 21, 2025, at Ontario City Hall, 303 E. B Street Ontario, California.

OPEN MEETING CALLED TO ORDER

Mayor Leon called the joint meetings to order at 6:30 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, Assistant City Attorney/Legal Counsel Ryan Guiboa, and City Clerk / Secretary Sheila Mautz.

INFORMATION RELATIVE TO POSSIBLE CONFLICTS OF INTEREST

There were no conflicts of interest reported.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor pro Tem Wapner.

INVOCATION

Invocation was led by Rabbi Stephen Epstein from Temple Sholom of Ontario.

PUBLIC COMMENT

Assistant City Clerk Isbell announced there were written communications:
Anonymous, regarding community improvement concerns.
Martha Aragon, regarding senior discounts for utilities.

Mayor Leon called upon the first speaker:
Lesia Beasom, spoke regarding water rates and water conservation.
Martha Aragon, spoke regarding several topics.

Steve Soto, read a poem.
Tina Silva, gave a land acknowledgement and spoke regarding immigration concerns.
Todd Warden, announced the availability of Invest Clean and Go Zero funds on behalf of the South Coast Air Quality Management District.
Marty McBride, spoke about clean energy and thanked the Ontario Police Department.
Brandy Rodriguez, spoke about personal experiences.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa announced the updated copy of the exhibits to the Resolution being considered under agenda Item No. 7. The update reflected payments received from property owners up to 9:00 am on Tuesday, October 21, 2025. The updated materials reflected a revised and reduced amount for assessments totaling $317,892.41 related to 124 parcels, which meant that $14,521.59 for 44 parcels was collected, postponed, or settled since the public agenda was prepared. The updated materials provided were incorporated into the public record.

CONSENT CALENDAR

Public Comment:
Lory Mason, submitted a written comment regarding Item No. 16.

MOTION: Moved by Council Member Bowman, seconded by Council Member Porada and carried by a unanimous vote of 5-0, to approve the consent calendar as presented.

1. APPROVAL OF MINUTES

Approved minutes for the regular meetings of the City Council and Housing Authority of September 16, 2025, and approving same as on file in the Records Management Department.

2. BILLS & PAYROLL

Approved Bills September 19, 2025 through October 2, 2025, in the amount of $60,029,518.37 and Payroll September 7, 2025 through September 20, 2025, in the amount of $6,450,153.48.

3. AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISTICS CENTER)

The City Council adopted an Ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center). First reading and introduction took place at a regular meeting on October 7, 2025.

ORDINANCE NO. 3316 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING A SPECIAL TAX WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISTICS CENTER).

4. A CONSTRUCTION CONTRACT WITH J&E CONSTRUCTION FOR THE GEYER COURT IMPROVEMENTS PROJECT

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute a Construction Contract with J&E Construction, of Chino, California, for the Geyer Court Improvements Project in the amount of $1,379,328, plus a 10% contingency of $137,933 for a total not-to-exceed contract amount of $1,517,261; 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.

5. A RESOLUTION ORDERING THE SUMMARY VACATION OF THE RIGHT-OF-WAY IN A PORTION OF MISSION BOULEVARD AND RECONVEYING ANY OF THE CITY'S INTEREST THEREIN

The City Council adopted a Resolution ordering the summary vacation of the right-of-way in a portion of Mission Boulevard located near the southwest corner of Cucamonga Avenue and Mission Boulevard, and authorized City Manager, or his designee, to execute the documents necessary to evidence the vacation and reconveyance of the City's interest therein.

RESOLUTION NO. 2025-147 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ORDERING THE SUMMARY VACATION OF RIGHT-OF-WAY IN A PORTION OF MISSION BOULEVARD AND RECONVEYING ANY OF THE CITY'S INTEREST THEREIN.

6. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY, AND FINAL TRACT MAP NO. 20472 LOCATED ON THE SOUTHWEST CORNER OF HAVEN AVENUE AND EUCALYPTUS AVENUE

The City Council adopted a Resolution approving an Improvement Agreement, Improvement Security, and Final Tract Map No. 20472, located on the southwest corner of Haven Avenue and Eucalyptus Avenue.

RESOLUTION NO. 2025-148 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 20472 GENERALLY LOCATED AT THE SOUTHWEST CORNER OF HAVEN AVENUE

AND EUCALYPTUS AVENUE.

7. A RESOLUTION FOR PLACEMENT OF SPECIAL ASSESSMENTS ON THE SAN BERNARDINO COUNTY TAX ROLLS

The City Council adopted a Resolution for recovery of fees and costs incurred in abating property and dangerous building violations, as well as administrative citations and civil penalties associated with property maintenance violations, and placing assessments on the San Bernardino County Tax Rolls.

RESOLUTION NO. 2025-149 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A REPORT REQUESTING THE PLACEMENT OF SPECIAL ASSESSMENTS ON PROPERTY TAX BILLS FOR CIVIL PENALTIES OR RECOVERY OF COSTS INCURRED FOR ABATEMENT OF VIOLATIONS OF CITY CODES AND ORDINANCES.

8. AN AMENDMENT TO THE GOODS AND SERVICES AGREEMENT WITH HOLT BLVD CAR WASH FOR FULL-SERVICE CAR WASH AND DETAILING

The City Council authorized the City Manager, or his designee, to execute Amendment No. 2 to the Goods and Services Agreement with Holt Blvd Car Wash, of Ontario, California, for full-service car wash and detailing services in the amount of $180,000, for a total not-to-exceed contract amount of $330,000 over the three-year term.

9. AN AMENDMENT TO THE GOODS AND SERVICES AGREEMENT WITH SAFETY KLEEN SYSTEMS, INC. FOR FLEET OIL, LUBRICANTS, AND OTHER RELATED ITEMS

The City Council authorized the City Manager, or his designee, to execute Amendment No. 1 to the Goods and Services Agreement with Safety Kleen Systems, Inc., of Richardson, Texas, for the procurement of fleet oil, lubricants, and other related items in the amount of $1,050,000, for a total not-to-exceed contract amount of $1,200,000, extend the term through Fiscal Year 2026-27, and authorize the option to extend the Agreement for up to three (3) additional one-year terms.

10. SOLE SOURCE PURCHASE APPROVAL FOR POLICE HELICOPTER ENGINE OVERHAUL

The City Council authorized the City Manager, or his designee, to execute a sole source purchase contract with Safran Helicopter Engines USA, Inc., of Grand Prairie, Texas, in the approximate amount of $569,342 to overhaul the engine of one of the City's Police Air Support helicopters.

11. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH MILLER ARCHITECTURAL CORPORATION FOR ARCHITECTURAL DESIGN SERVICES FOR THE PERMANENT FACILITY FOR THE ANIMAL RESOURCE CENTER OF THE INLAND EMPIRE

The City Council authorized the City Manager, or his designee, to execute Amendment No. 1 to the Design Services Agreement with Miller Architectural Corporation, of Redlands, California, for the architectural design services for the permanent facility for the Animal Resource Center of the Inland Empire, in the amount of $3,116,400 for a total not-to-exceed contract amount of $3,235,075.

12. A CONSTRUCTION CONTRACT WITH BERNARDS BROS, INC., AND AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH SMITH-EMERY LABORATORIES, INC., FOR ON-CALL GEOTECHNICAL AND MATERIAL TESTING FOR THE CITY SERVICES BUILDING PROJECT

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute Construction Contract No. D&C22-015 City Services Building with Bernards Bros, Inc., of San Fernando, California, for the construction of the City Services Building in the amount of $42,880,000 plus a 10% contingency of $4,288,000, for a total not-to-exceed contract amount of $47,168,000.
B. Authorized the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Smith-Emery Laboratories, Inc., of Los Angeles, California, for on-call geotechnical and material testing for the City Services Building in the amount of $210,165 for a total not-to-exceed contract amount of $360,165; and
C. 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.

13. A CONSTRUCTION CONTRACT WITH ELEGANT CONSTRUCTION, INC. FOR THE EUCLID AVENUE MONUMENT SIGN PROJECT

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute Construction Contract No. PM 2526-2 with Elegant Construction, Inc., of Irvine, California, for the Euclid Avenue Monument Sign Project in the amount of $597,000 plus a 15% contingency of $89,550 for a total not-to-exceed contract amount of $686,550; 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 the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

14. A CHANGE ORDER TO THE CONSTRUCTION CONTRACT WITH WAKECO, INC. AND AN AMENDMENT TO THE GOODS AND SERVICES AGREEMENT WITH CONSTANT TECHNOLOGIES, INC., FOR THE ONTARIO POLICE DEPARTMENT REAL TIME INFORMATION CENTER AND TENANT IMPROVEMENT PROJECT

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute Change Order No. 6 to the Construction Contract No. D&C23-014 with Wakeco, Inc., of Temecula, California, for the Ontario Police Department (OPD) Real Time Information Center (RTIC) and Tenant Improvement (TI) project in the amount of $207,480 plus a contingency of $361,100 for a new total not-to-exceed contract amount of $4,540,680;
B. Authorized the City Manager, or his designee, to approve Amendment No. 2 to the Goods and Services Agreement with Constant Technologies, Inc., of North Kingstown, Rhode Island, for the OPD RTIC and TI project in the amount of $13,038 for a total not-to-exceed contract amount of $806,743, which includes a previously approved contingency amount of $10,856; and
C. 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.

15. A RESOLUTION APPROVING AMENDMENT NO. 6 TO THE CHINO BASIN DESALTER AUTHORITY JOINT EXERCISE OF POWERS AGREEMENT

The City Council adopted a Resolution approving Amendment No. 6 to the Chino Basin Desalter Authority Joint Exercise of Powers Agreement (JPA) with the Chino Basin Desalter Authority (CDA), subject to non-substantive changes and approval by all CDA Member Agencies; and authorized the City Manager to execute the Amendment.

RESOLUTION NO. 2025-150 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AMENDMENT NO. 6 TO JOINT EXERCISE OF POWERS AGREEMENT CREATING THE CHINO BASIN DESALTER AUTHORITY.

16. A RESOLUTION APPROVING THE FILING OF AN APPLICATION FOR GRANT FUNDING FROM THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES - BEHAVIORAL HEALTH CONTINUUM INFRASTRUCTURE PROGRAM ROUND 2

The City Council took the following actions:

A. Adopted a Resolution approving the filing of an application for $25 million in grant funds from the California Department of Health Care Services Behavioral Health Continuum Infrastructure Program Phase 2 for the Ontario Wellness Campus.
B. Authorized the City Manager or designee to execute any documents or agreements needed to complete the application and implement the grant; and
C. Approved acceptance of funding of $25 million from the California Department of Health Care Services, if awarded.

RESOLUTION NO. 2025-151 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HEALTH CARE SERVICES (DHCS) FOR FUNDING UNDER THE BEHAVIORAL HEALTH CONTINUUM INFRASTRUCTURE PROGRAM ROUND 2 (2025): UNMET NEEDS; THE EXECUTION OF A STANDARD AGREEMENT IF SELECTED FOR SUCH FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE BHCIP ROUND 2: UNMET NEEDS PROGRAM.

17. A PROFESSIONAL SERVICES AGREEMENT WITH UNIVERSAL PROTECTION SERVICE, LP, DBA ALLIED UNIVERSAL SECURITY SERVICES, FOR JAIL FACILITY STAFFING SUPPORT SERVICES

The City Council authorized the City Manager, or his designee, to execute a Professional Services Agreement for up to five years with Universal Protection Service, LP, dba Allied Universal Security Services of Irvine, California, for jail facility staffing and support services for a not-to-exceed agreement amount of $4,735,387.

18. AUTHORIZE THE RENEWAL OF THE CITY'S BUSINESS INTELLIGENCE AND DATA VISUALIZATION PLATFORM, SISENSE, INC.

The City Council authorized the City Manager, or his designee, to execute a renewal with Sisense, Inc., of New York, NY, for licensing, and increasing the subscription amount by $108,000 for a one-year term, for a total subscription amount not-to-exceed $499,286.

PUBLIC HEARINGS

19. A PUBLIC HEARING TO CONSIDER A DEVELOPMENT CODE AMENDMENT FILE NO. PDCA25-002 REVISING AND CLARIFYING CERTAIN PROVISIONS OF THE CITY OF ONTARIO DEVELOPMENT CODE

The City Council introduced and waived further reading of an Ordinance approving File No. PDCA25-002, a Development Code Amendment revising and clarifying certain provisions of Chapters 2.0 (Administration and Procedures), 4.0 (Permits, Actions, and Decisions), and 6.0 (Development and Subdivision Regulations) of the City of Ontario Development Code.

ORDINANCE NO. 3317 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDCA25-002, A DEVELOPMENT CODE AMENDMENT REVISING AND CLARIFYING CERTAIN PROVISIONS OF CHAPTERS 2.0 (ADMINISTRATION AND PROCEDURES), 4.0 (PERMITS, ACTIONS, AND DECISIONS), AND 6.0 (DEVELOPMENT AND SUBDIVISION REGULATIONS) OF THE CITY OF ONTARIO DEVELOPMENT CODE, AND MAKING FINDINGS IN SUPPORT THEREOF.

Notice of public hearing was duly given and affidavits of compliance are on file in the Records Management Department.

The City Clerk announced one written comment:
Jordan Sisson, in opposition to the item.

Mayor Leon opened the public hearing and called upon the speakers:
Andrea Romero, spoke in opposition to the item.
Charlie Carnow, spoke in opposition to the item.

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. 3317.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

20. RESOLUTIONS AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 71 (NEUHOUSE PHASE 2) SPECIAL TAX BONDS, SERIES 2025 AND RELATED MATTERS

The City Council took the following actions:

A. Adopted a Resolution authorizing the issuance of City of Ontario Community Facilities District No. 71 (Neuhouse Phase 2) Special Tax Bonds, Series 2025, in an aggregate principal amount not-to-exceed $17 million, authorizing the execution and delivery of an Indenture, a Bond Purchase Agreement, and a Continuing Disclosure Agreement, authorizing the distribution of an Official Statement, authorizing the execution of necessary documents and certificates and related actions;
B. Adopted a Resolution of the City of Ontario making a declaration of official intent to reimburse facilities expenditures with bond proceeds and related actions;
C. Authorized the issuance of special tax bonds for public improvements required to facilitate the development of the Neuhouse Phase 2 project and the Ontario Ranch development;
D. Approved the forms of the Indenture, the Bond Purchase Agreement, the Continuing

RESOLUTION NO. 2025-152 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 71 (NEUHOUSE PHASE 2) SPECIAL TAX BONDS, SERIES 2025, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $17,000,000 AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

RESOLUTION NO. 2025-153 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, MAKING A DECLARATION OF OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR COSTS OF FACILITIES WITH BOND PROCEEDS AND RELATED ACTIONS.

MOTION: Moved by Council Member Porada, seconded by Council Member Macias, and carried by a unanimous vote of 5-0, to adopt Resolution Nos. 2015-152 and 2025-153.

STAFF MATTERS

City Manager Ochoa made no announcements.

COUNCIL MATTERS

Council Member Porada commented on the Art Festival.

Mayor pro Tem Wapner had no comments.

Council Member Macias commented on the Community Cleanup event.

Council Member Bowman commented on the downtown murals.

Mayor Leon commented on the downtown murals and Art Festival.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 7:01 p.m., and announced the next regular meeting was scheduled for November 4, 2025.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Economic Development Prepared By: Karla Tavera Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 3

SUBJECT: A RESOLUTION APPROVING A PUBLIC PARKS PROCEEDS AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE COUNTY OF SAN BERNARDINO

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to negotiate and execute the Public Parks Proceed Agreement and execute such further documents and take such actions as may be necessary or desirable to carry out the intent of the Agreement.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

FISCAL IMPACT: To incentivize the County to sell one or more properties to the City to facilitate the City's ability to acquire and develop land for the Grand Park Project, the City will pay fair market value for eligible real property ("Property") that the City approves and acquires from the County as established by an appraisal and negotiations between the parties. Should the City resell any Property to a bona fide third party, the City shall receive sixth percent (60%) and the County shall receive forty percent (40%) of net proceeds on each sale (net of closing costs pursuant to each subsequent resale). Pursuant to the Agreement, the City shall not resell any Property to a third party for any amount equal to or less than the purchase price City paid County for such Property.

If approved, the exact price, and therefore future proceeds, shall be determined at a future date, and the appropriations will be included in the Capital Projects Fund at a future date to City Council for approval as needed.

BACKGROUND & ANALYSIS: The City of Ontario ("City") and the County of San Bernardino ("County") are committed to advancing the quality of life for their residents and protecting the natural environment. As a way to further this commitment and expedite the City's adopted master plan to deliver a recreational and open space public facility in South Ontario, commonly known as the "Grand Park," the City and County are contemplating a partnership through this Agreement. The Grand Park is envisioned as a 340-acre passive park. To date, the City owns 120 acres, and this

Agreement, with the assistance of the County, would provide a mechanism for the City to fulfill its vision of delivering a 340-acre park.

The County owns property within the City that was acquired pursuant to the Wildlife, Coastal and Park Land Conservation Bond Act. It is the intent of this Agreement to incentivize the County to sell one or more of the Properties to the City for the benefit of City parks and projects serving the residents of both the City and the County.

The term of the Agreement shall be twenty (20) years after its effective date, subject to earlier termination or extension agreed to in writing by the parties.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE PUBLIC PARKS PROCEEDS AGREEMENT WITH THE COUNTY OF SAN BERNARDINO AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND RELATED DOCUMENTS.

WHEREAS, the City of Ontario ("**City**") and the County of San Bernardino ("**County**") are committed to advancing the quality of life for their residents and protecting the natural environment; and

WHEREAS, the City has adopted a master plan to deliver a large, recreational and open-space public facility in South Ontario commonly known as "**Grand Park**," envisioned as approximately 340 acres of passive parkland, of which the City currently owns approximately 120 acres; and

WHEREAS, the County owns certain real property within the City that was acquired pursuant to the Wildlife, Coastal and Park Land Conservation Bond Act, and the Parties desire to partner in a manner that incentivizes County to sell one or more eligible properties ("**Property**" or "**Properties**") to the City at fair market value to facilitate acquisition and development of Grand Park; and

WHEREAS, the Public Parks Proceeds Agreement ("**Agreement**") establishes that the City will pay fair market value, as established by appraisal and negotiations, for any Property the City elects to acquire from County, and further provides that if City resells a Property to a bona fide third party, City shall receive sixty percent (60%) and County shall receive forty percent (40%) of net proceeds of such resale (net of closing costs per each resale), and that City shall not resell any such Property for an amount equal to or less than the purchase price City paid County; and

WHEREAS, the Agreement has a term of twenty (20) years from its effective date, subject to earlier termination or written extension by the Parties; and

WHEREAS, this action advances the City Council goals to (1) Operate in a Businesslike Manner; (2) Pursue City's Goals and Objectives by Working with other Governmental Agencies; and (3) Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities.

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

SECTION 1. The foregoing recitals are true and correct and incorporated herein by this reference as findings of the City Council.

SECTION 2. City Council hereby approves the Public Parks Proceeds Agreement by and between the City and the County of San Bernardino, in substantially the form on file with the City Clerk, together with such minor, non-substantive changes, insertions, and omissions as are approved by the City Manager or his designee, in consultation with the City Attorney.

SECTION 3. City Manager, or his designee, is authorized and directed to execute the Agreement and to execute such further documents and take such actions as may be necessary or desirable to carry out the intent of the Agreement, including without limitation opening escrows, delivering notices, approving implementing instruments, and executing ancillary or "side" documents consistent with the Agreement.

SECTION 4. City Clerk shall attest to the City Manager's signature and maintain the fully executed Agreement on file.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED, AND ADOPTED this 18th day of November 2025.

_____
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. 2025- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 18, 2025 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. 2025- duly passed and adopted by the Ontario City Council at their regular meeting held November 18, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

PUBLIC PARKS PROCEEDS AGREEMENT

THIS PUBLIC PARKS PROCEEDS AGREEMENT (this "**Agreement**") dated as of _____, 2025 (the "**Effective Date**"), is by and between the City of Ontario, a California municipal corporation (the "**City**"), and San Bernardino County, a political subdivision of the State of California (the "**County**") (collectively City and County are the "**Parties**" and each, a "**Party**"), with reference to the following:

RECITALS

A. City and County are desirous of advancing the quality of life of their respective residents and protecting the natural environment by supporting and encouraging long term development of high-quality parks and open space for the benefit of present and future residents.

B. County is the owner in fee of certain real properties within the City acquired pursuant to the Wildlife, Coastal, and Park Land Conservation Bond Act (a "**Property**" or the "**Properties**").

C. City has adopted a master plan for a recreational and open space public facility commonly known as the "Grand Park" in the City of Ontario city limits totaling approximately 340 acres ("**Grand Park"** or the **"Project**"), but currently approximately only 120 acres have been acquired for the Project. City desires to enter into this Agreement to fund and facilitate the City's ability to acquire and develop land for the Project.

D. The Parties desire to work together to achieve necessary or desirable agreements between Parties for the funding, acquisition, and disposition of land for enlargement and development of the Project, and the intent of this Agreement is to provide City backed incentives for the County to sell one or more of the Properties to City for the benefit of the Project and other related City parks and projects serving the residents of both City and County. The Parties acknowledge that the County could continue to hold ownership of the Properties for long term investment opportunity, and this Agreement is to incentivize the County to sell at an earlier date.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1
TERM, CONDITIONS TO RESALE, AND OTHER PARAMETERS OF AGREEMENT

1.1 **Term of this Agreement.** The term of this Agreement (the "**Term**") shall commence upon the Effective Date and, unless earlier terminated in accordance with the terms hereof, shall terminate twenty (20) years after the Effective Date, subject to extensions agreed to in writing by the Parties (the "**Termination Date**"). The Parties may agree to extend the Term as reasonably necessary for up to one year, or for another specific time period as may deemed

necessary to allow additional time to satisfy the conditions set forth below, as well as any other relevant issues, which Party's consent shall not be unreasonably withheld, conditioned, or delayed (the "**Extension Period**").

1.2 **Sale and Resale of Properties.** To incentivize County to sell one or more Properties to City (an "**Eligible City–County Purchase**"), City agrees as follows:

1.2.1 City will pay the fair market value for each Property, as established through an appraisal and reasonable negotiation between the Parties.

1.2.2 City shall resell (as provided under Section 1.2.4) all Properties but not without ensuring all of the following steps are completed before the close of escrow of the subsequent sale: (a) City has complied with the Surplus Land Act (Gov. Code §§ 54220 et seq.); (b) City has complied with CEQA (Pub. Res. Code § 21000 et seq.) and/or the Endangered Species Act; and (c) City has complied with any other applicable statute or required approval necessary to consummate a subsequent Property sale by City to another party.

1.2.3 City will bear sole responsibility and all risk of either: (a) completing all entitlements, approvals or authorizations to establish use in accordance with the Project or City's requirements; or (b) negotiating for a subsequent bona fide third-party buyer to complete all entitlements, approvals or authorizations to establish use in accordance with City requirements, in each case City shall use commercially reasonable efforts to cause completion of within two (2) years of the closing date of the sale of any Properties from the County to the City; provided, however, that such periods may be extended as reasonably necessary, as mutually agreed by the Parties, which Party's consent shall not be unreasonably withheld, conditioned, or delayed, to permit City's compliance with Section 1.2.2.

1.2.4 As a condition to the purchase of the Properties by City, City shall resell the Properties to bona fide third-party purchasers pursuant to separate purchase and sale agreements only for more than the price the City paid to the County for the Properties (each, a "**Resale**"), based on the Net Proceeds (as defined in Section 2.1) above the original purchase price generated by any City Resale of County Properties sold by the County to the City which sale occurs during this Agreement's Term, and the City will pay the County its proportionate share of the Net Proceeds in accordance with Section 2.1 below.

1.3 **Cooperation**. The Parties shall cooperate in good faith to prepare, submit, and obtain all necessary approvals from any necessary Governmental Authorities for each Eligible City-County Purchase and Resale.

1.4 **Definitions; Recitals.** Initially-capitalized terms used in this Agreement (including in the Recitals to this Agreement) are defined pursuant to Section 8.1. The Recitals are incorporated into this Agreement by this reference.

1.5 **Limitations of this Agreement.** By its execution of this Agreement, except for City's entitling the Properties sold from County to City and the Resale of such Properties which are conditions of such initial sale, neither City nor County are committing itself to or agreeing to undertake any other acts or activities requiring the subsequent independent exercise of discretion by City or County, Regulatory Approval, or any department thereof.

ARTICLE 2
FUND SHARING FOR PROPERTY RESALES

2.1 **Share of Resale of Property.** For any City Resale of a Property after the Effective Date and which are subsequently required to be sold by City for more than the net sale price above the original purchase price of such Eligible City-County Purchase, City and County shall share in the sales proceeds (net of closing costs including reasonable broker commissions, and costs for City's entitlement and environmental review (including CEQA/EIR) costs, consultant/professional fees, and related legal expenses reasonably incurred and allocable to the Resale, if any, collectively, the "**Net Proceeds**") so that City receives sixty percent (60%) and County shall receive forty percent (40%) for each Resale. Such proceeds shall be paid by City to County within 30 days of the close of escrow of any City Property Resale (the "**Revenue Sharing Payment**"). City shall additionally market each Eligible City-County Purchase for Resale and economic development for the funding, acquisition, and disposition of land for enlargement and development of the Project.

2.2 **No Resale Below Purchase Price**. City shall not make any Resale to a third party for amounts equal to or less than the actual purchase price City paid County for such Property purchase.

ARTICLE 3
INDEMNIFICATION AND INSURANCE

3.1 **Indemnification.** The Parties shall indemnify, defend, and hold harmless the other party, its respective officers, agents and employees, from and against any claims, damages, costs, expenses, or liabilities (collectively, "**Claims**") arising out of or in any way connected with this Agreement including, without limitation, Claims for loss or damage to any property, or for death or injury to any person or persons but only in proportion to and to the extent that such Claims arise from the negligent or wrongful acts or omissions of Parties, its officers, agents, partners, or employees. In the event that either Party is determined to be comparatively at fault for any Claims, which result from its respective obligations under this Agreement, the Party determined to be comparatively at fault shall indemnify the other to the extent of its comparative fault.

3.2 Insurance. The Parties are authorized self-insured public entities for purposes of Professional Liability, Automobile Liability, General Liability and Worker's Compensation, and warrant that through their respective programs of self-insurance they have adequate coverage or resources to protect against any claim, demand, liability, damage, cost and expense, including reasonable attorney's fees and costs (including any claims based on a party's indemnity obligation) arising out of performance of the terms, conditions or obligations of this Agreement.

ARTICLE 4
ASSIGNMENT AND TRANSFER

4.1 **Prohibition Against Transfer of the Agreement.** Parties shall not sell, convey, assign, transfer, alienate or otherwise dispose of all or any of its interests, rights or obligations in,

to or under this Agreement, perform a party's obligations or otherwise do any of the above or make any contract or agreement to do any of the same ("**Transfer**").

4.2 **Effect of Violation**.

4.2.1 **Event of Default**. If a Party makes a Transfer or Significant Change in violation of **Section 4.1** and such violation remains uncured after sixty (60) days after such Party's receipt of written notice from the non-violating Party of such violation, then either the non-violating Party may, in its sole discretion, either cancel this Agreement, or declare an Event of Default from and after the time of the Transfer or Significant Change.

4.2.2 **No Release of Obligations**. Except by the specific written approval of a party which such party may give or withhold in its sole discretion, no Transfer or Significant Change shall relieve Parties from any obligations under this Agreement.

ARTICLE 5
REMEDIES

5.1 **Waiver of Consequential Damages**. **NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, NONE OF THE PARTIES, NOR ANY OF THEIR EMPLOYEES, AGENTS, REPRESENTATIVE OR CONSULTANTS, NOR THE AFFILIATES OF ANY OF THEM, SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES, FOR LOST REVENUES OR LOST PROFITS, OR FOR ANY OTHER SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES, IN EACH CASE ARISING OUT OF, RELATING TO OR RESULTING FROM (A) AN ACTUAL OR ALLEGED DEFAULT OR BREACH OF THIS AGREEMENT, (B) THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT, OR (C) THE RELATIONSHIP OF THE PARTIES HEREUNDER, IN EACH CASE EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND EACH PARTY HEREBY EXPRESSLY RELEASES THE OTHER PARTIES, AND THEIR EMPLOYEES, AGENTS, REPRESENTATIVE OR CONSULTANTS, AND THE AFFILIATES OF ANY OF THEM, THEREFROM.**

5.2 **Transaction Document Separate From This Agreement**. Notwithstanding any other provisions of this Agreement, the Parties' respective rights and remedies with respect to the Transaction Document shall be governed exclusively by the applicable Transaction Document and the rights and remedies under this Agreement shall be limited to the matters contained herein.

ARTICLE 6
GENERAL PROVISIONS

6.1 **Notices**.

6.1.1 **Manner of Delivery**. All notices, statutory notices, demands, statements or communications (collectively, "**Notices**") given or required to be given by either Party to the other hereunder shall be in writing, shall be sent by United States certified or registered mail, postage prepaid, return receipt requested, or by recognized overnight delivery service (such as, but

not limited to, Federal Express), or delivered personally to each Party at the appropriate address set forth below, or to such other place as each Party may from time to time designate in a Notice to the other Party.

6.1.2 **Addresses for Notices**. All notices shall be properly addressed and delivered to the Parties at the addresses set forth below or at such other addresses as either Party may designate by written notice given in the manner provided in this Section 6.1.2:

To City:	City of Ontario Attn: City Manager 303 E. B Street Ontario, CA 91764 Phone: 909-395-2289
With a copy to:	City Attorney (at the same address)
To County:	San Bernardino County Attn: Director of Real Estate Services 385 N. Arrowhead Ave., 3rd Floor San Bernardino, CA 92415

6.2 **Time of Performance**. Time is of the essence for timely performance under this Agreement. All periods for performance specified in this Agreement in terms of days shall be calendar days, and not Business Days, unless otherwise expressly provided in this Agreement.

6.3 **Interpretation of Agreement**.

6.3.1 **No Presumption Against Drafter**. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each Party has been represented by experienced and knowledgeable legal counsel. Accordingly, this Agreement shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Agreement (including California Civil Code Section 1654).

6.4 **Successors and Assigns**. This Agreement is binding upon and shall inure to the benefit of the permitted successors and assigns of the Parties, subject to the limitations on assignment set forth in Section 3.1. Where the term "**Party**," or "**Parties**" is used in this Agreement, it means and includes their respective successors and permitted assigns.

6.5 **No Third Party Beneficiaries**. This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors and permitted assigns. No third party beneficiaries are intended or created by this Agreement.

6.6 **Counterparts**. This Agreement may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument. The

Parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the Party whose name is contained therein. Each Party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

6.7 **Entire Agreement**. This Agreement (including all of the Exhibits) constitutes the entire agreement among the Parties with respect to the subject matter of this Agreement and supersedes all negotiations or previous agreements, among the Parties with respect to all or any part of the terms and conditions mentioned in or incidental to this Agreement. No parol evidence of any prior draft of this Agreement, or of any other agreement shall be permitted to contradict or vary the terms of this Agreement.

6.8 **Amendment**. Neither this Agreement nor any of its terms may be amended, modified or supplemented except by a written instrument executed by the Parties in each instance.

6.9 **Governing Law; Choice of Venue**. The Laws of the State of California shall govern the interpretation and enforcement of this Agreement. As part of the consideration for the Parties entering into this Agreement, except as otherwise provided in this Agreement, the Parties agree that all actions or proceedings arising directly or indirectly under this Agreement shall be litigated in courts having jurisdiction within the State of California and the venue shall be in San Bernardino County. The Parties expressly consent to the jurisdiction of any such local, state or federal court, and consent that any service of process in such action or proceeding may be made by personal service upon the applicable Party wherever it may then be located, or by certified or registered mail directed to the applicable Party at the address set forth in Section 6.1.2 for the delivery of notices.

6.10 **Disputes.**

6.10.1 **Negotiation**. Except as otherwise provided in this Article, at any time following the receipt by one Party of a written notice from the other Party of a conflict, disagreement or dispute between the Parties arising under this Agreement (a "**Dispute**"), the receiving Party may require that an authorized representative of each Party (each with authority to settle) meet, confer, and attempt to resolve such Dispute. If the Dispute is not resolved during such meeting or within five (5) Business Days thereafter, neither Party may initiate litigation under this Article unless the Dispute is first subjected to mediation. This requirement for mediation may only be waived in a written instrument.

6.10.2 **Mediation**. Disputes not resolved through negotiation shall be subject to mandatory mediation. A request for mediation shall be filed in writing by a Party with the other Party, and the Parties shall promptly attempt to mutually agree upon a Mediator. If the Parties have not reached agreement on a Mediator within five (5) Business Days of the request, either Party may file the request with JAMS in Los Angeles, California, with a copy to the other Party, and the mediation shall, unless another location is mutually agreed upon, be administered by JAMS and held in Los Angeles, California by a single Mediator having demonstrated expertise regarding the subject of the Dispute and appointed in accordance with JAMS Rules. Mediation shall proceed in advance of arbitration, which shall be stayed pending mediation unless stayed for a longer period by agreement of the Parties or court order. The Parties to the mediation shall share the Mediator's

fee and any filing fees equally. Representatives of the Parties must attend the mediation session in person with authority to settle the dispute and with authority to adjust pre-existing settlement authority if necessary. To the extent there are other parties in interest, such as architects, insurers, contractors or subcontractors, then representatives of such other parties, also with authority to settle the Dispute and to adjust pre-existing settlement authority if necessary, shall also attend the mediation session in person. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

6.10.3 **Litigation**. All Disputes that cannot be resolved through mediation shall be resolved by a Court of competent jurisdiction.

6.12 **Further Assurances.** The Parties agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to express the intent of the Parties or otherwise effectuate the terms of this Agreement.

6.13 **Attorneys' Fees and Costs**. If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third party legal action against a party hereto and payable under Section 3.1 Indemnification.

6.14 **Severability**. If any provision of this Agreement, or its application to any Person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be grossly inequitable under all of the circumstances, or would frustrate the fundamental purposes of this Agreement.

6.15 **Effective Date**. This Agreement shall become effective on the Effective Date.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 **Representations and Warranties of County**. County represents and warrants as follows, as of the Effective Date:

7.1.1 **Authority**. The County is a political subdivision of the State of California duly organized and in good standing under the Laws of California with all corporate power to execute and deliver and perform its obligations under this Agreement and the agreements contemplated by this Agreement.

7.1.1 **Litigation**. County is not party to, and has no knowledge of, any pending or threatened actions, suits, proceedings or undischarged judgments affecting County or the Project, before any court, Governmental Authority, or arbitrator which might materially and adversely affect the enforceability of this Agreement, or prevent County from performing its obligations under this Agreement.

7.1.2 **Condemnation**. County has no knowledge of, any condemnation proceedings relating to the Project or any part thereof or any access ways or roadways adjacent to the Project or any part thereof.

7.1.3 **Violations**. County has not received written notice of, and has no knowledge of, any uncured violations of any federal, state or local law relating to the use or operation of the Project.

7.2 **Representations of the City**. The City represents (as to itself only) as follows, as of the Effective Date:

7.2.1 **Authority**. The City is a municipal corporation duly organized and is in good standing under the Laws of California with all corporate power to execute and deliver and perform its obligations under this Agreement and the agreements contemplated by this Agreement.

7.2.2 **Litigation**. City is not party to, and has no knowledge of, any pending or threatened actions, suits, proceedings or undischarged judgments affecting City or the Project, before any court, Governmental Authority, or arbitrator which might materially and adversely affect the enforceability of this Agreement, or prevent City from performing its obligations under this Agreement.

7.2.3 **Condemnation**. City has no knowledge of, any condemnation proceedings relating to the Project or any part thereof or any access ways or roadways adjacent to the Project or any part thereof.

7.2.4 **Violations**. City has not received written notice of, and has no knowledge of, any uncured violations of any federal, state or local law relating to the use or operation of the Project.

ARTICLE 8
DEFINITIONS

8.1 **Definitions**. Initially-capitalized terms used but not defined in this Agreement (including in the Recitals and Exhibits to this Agreement) shall have the meanings ascribed thereto in this Agreement. The following terms as used in this Agreement shall have the following meanings, unless the context indicates otherwise:

"**Governmental Authority**" means any and all entities, courts, boards, agencies, bureaus, commissions, offices, divisions, subdivisions, departments, bodies, or authorities of any nature whatsoever of any governmental unit (Federal, state, county, city or otherwise) whether now or hereafter in existence.

"**Regulatory Approval**" means any authorization, approval or permit required by or from any Governmental Authority having jurisdiction over the Project, or the Project relating to the development or construction of the Project, or the Project. The term "**Regulatory Approval**" shall not include any authorization, approval or permit required for the Party's use and occupancy of the Project.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly appointed representatives as of the Effective Date.

Date: _____, 2025

CITY OF ONTARIO,
a California municipal corporation

By: _____
Scott Ochoa, City Manager

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: _____
Ruben Duran
City Attorney

Signatures continue on the following page.

Date: _____, 2025

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

Dated: _____

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD
Lynna Monell
Clerk of the Board of Supervisors
of San Bernardino County

By _____

APPROVED AS TO FORM:

LAURA FEINGOLD
COUNTY COUNSEL

By: _____
Name:_____
Title:_____
Date:_____

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Planning Prepared By: Elly Antuna Department: Prepared By: Elly Antuna Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 4

SUBJECT: **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH SELBERT PERKINS DESIGN FOR DESIGN SERVICES FOR THE DEVELOPMENT OF A COMPREHENSIVE DOWNTOWN SIGNAGE AND WAYFINDING MASTER PLAN WITH BRANDING SERVICES**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Selbert Perkins Design, of Playa del Rey, California, for design services for the development of a comprehensive Downtown Signage and Wayfinding Master Plan and graphic design and branding services, in the amount of $212,000 to increase the not-to-exceed contract amount of $289,500.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
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: The proposed Amendment No. 1 to the Professional Services Agreement with Selbert Perkins Design is the amount of $212,000 increasing the not-to-exceed total contract amount to $289,500. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the General Fund for design services. If approved, additional appropriation in the General Fund will be included in a future Quarterly Budget Update Report to Council as needed.

BACKGROUND & ANALYSIS: On December 31, 2024, the City entered into a one-year Professional Services Agreement, with four optional one-year extensions to Selbert Perkins Design. The initial agreement included year-round creative services to develop a unified brand for the City's 2025 State of the City event including engaging digital and print materials. Amendment No. 1 increases the not-to-exceed contract amount to $289,500 and includes graphic design services for the City's 2026 State of the City Event and the development of a comprehensive Downtown Wayfinding and Signage Master Plan. The Downtown Signage and Wayfinding Master Plan will create an intuitive and visually compelling wayfinding system to guide residents, visitors, and businesses through

Downtown Ontario. The Master Plan will include design concepts, policies for placement and spacing, and guidelines for future signage and branding integration to enhance the downtown visitor experience.

AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND SELBERT PERKINS DESIGN

1. Parties and Date.

This Amendment No. 1 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and Selbert Perkins Design, a 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 "Creative Services to Develop and Design Collateral" dated December 31, 2024 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to include design services for the development of a comprehensive Downtown Signage and Wayfinding Master Plan with branding services; increase the not-to exceed compensation amount to **Two Hundred Eighty-Nine Thousand Five Hundred Dollars ($289,500**); and amend the task list.

2.3 Amendment Authority. This Amendment No. 1 is authorized pursuant to Section 3 of the Agreement.

3. Terms.

3.1 Amendment. The Agreement is hereby amended in its entirety to read as follows:

1. Services.
   Consultant shall provide the City with the services described in the Scope of Services attached as Exhibit "A" to the original agreement and the added Scope of Services attached hereto as Exhibit "B."

2. Compensation.
   In no event shall the total amount paid for services rendered by Consultant during the extended period through December 31, 2026, exceed the sum of **Two Hundred Eighty-Nine Thousand Five Hundred Dollars ($289,500**). Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 1, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 1. From and after the date of this Amendment No. 1, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this

Amendment No. 1.

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. 1.

3.4 Severability. If any portion of this Amendment No. 1 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. 1 TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND SELBERT PERKINS DESIGN

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 1 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

SELBERT PERKINS DESIGN

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

Selbert Perkins Design.

Scope of Work

Analysis and Research

Meetings: (1) weekly meeting/presentation with project team
Schedule: 4 weeks

1. Hold kick-off meeting with the project team and relevant project stakeholders to review project needs, concerns, goals. Confirm project schedule and goals. Review pertinent project plans, plan and potential design revision, all related architectural elevations, landscape plan, any existing brand identity and brand criteria, applicable sign code ordinances and regulations, to confirm requirements.

2. Review existing signage and assess the City's inventory of wayfinding signage. SPD will identify principal destinations and preferred transportation routes/corridors and conduct an extensive on-site analysis of the City's existing vehicle and pedestrian signage conditions of key entrance locations along with the travel routes leading to it. This analysis is to include recommendations for the consolidation, removal, or other solutions to make all signage more effective.

3. Review and assess the potential wayfinding destinations within the City, taking into account its unique characteristics and demands. Evaluate potential and existing site and building locations including site entries/edges/corners, vehicular and pedestrian circulation routes, decision points and destination generators, land and building uses, ingress and egress points to destinations, lines of sight, environmental factors, building materials, and interrelationships.

4. Identify user groups, specific needs and potential wayfinding difficulties (e.g., affecting individuals with disabilities, senior citizens and visitors).

5. Research and analyze industry best practices and current trends in the field of wayfinding signage, considering advancements in technology, design, and user experience to ensure the implementation of modern and effective solutions.

Analysis and Research Deliverables
- Assessment Report
- User Needs and Difficulties Analysis
- Best Practices and Trends Report
- Minutes from meetings and teleconferences

Concept Design

Meetings: (1) weekly meeting/ in-person presentation with project team
Schedule: 8 weeks

1. Prepare and confirm Signage and Wayfinding Master Plan (Identification, Direction, Information, and Regulation) outline of required elements.

2. Present Signage and Wayfinding Master Plan outline to project team. Recommend a wayfinding strategy that includes a of sign types (e.g., directional, pedestrian, informational), design guidelines, placement policies, district identification, and messaging hierarchy for initial and future updates.

3. Develop conceptual approaches based on the confirmed Signage and Wayfinding Master Plan outline of sign types. Design approaches will include visual approach, dimensions, font sizes and styles, symbols, colors, and preliminary materials for sign types.

4. Develop preliminary location plans and sign type counts. Establish a set of criteria for destination identification on wayfinding signs.

5. Present 3 preliminary signage & wayfinding concepts to client team. The presentation will include preliminary Concept design for signage elements, preliminary location plans. Client team to select 1 direction to refine.

6. Based on client approval, develop Concept Design Package. This includes visual approaches with plans and sketches indicating locations, typography, image, color, materials, size, shape, and structure. Submit to client for further refinement in Design Development.

Concept Design Deliverables:
- Concept design package
- Preliminary sign location plans and recommendations
- Minutes from meetings and teleconferences

Design Development

Meetings: (2) weekly meeting/presentation with project team
Schedule: 6 weeks

1. Based on the approved Concept Design Package, develop and refine signage and wayfinding elements and gateway features with sections/elevations distinguishing identified "districts." Prepare elevations, plans, perspective sketches, sufficient to describe the size, shape, and character of all major design elements. Specify materials, color palette, typefaces, iconography and lighting that will be used in the system.

2. Update sign location plans and provide sign counts. Develop message schedule.

3. Present refined signage and wayfinding design elements and updated sign location plans to client team for approval. Presentation will include visual approaches with plans and sketches indicating locations, typography, image, color, materials, size, shape, and structure. Obtain team input on final design.

4. Prepare Design Development Package to include drawings of each design element showing scale, critical dimensions, elevations, sections, details, and specifications.

Design Development Deliverables:
- Design Development package
- Updated sign location plans and message schedule
- Minutes from meetings and teleconferences

Construction Documents

Meetings: (1) weekly meeting/presentation with project team
Schedule: 6 weeks

1. Confirm elements from Design Development for documentation.

2. Prepare final sign location plans for each element.

3. Prepare final Construction documents and specifications to include; notes for connections/ mounting details, final drawings of each communication element showing scale, critical dimensions, elevations, cross sections, details, and specifications (indicating the final intent for each sign type including color and material call-outs). **Final shop drawings and message schedule to be completed by fabricator, including engineering if required.**

4. Prepare electronic artwork of elements, as required.

5. Assemble Construction Documents package, sign location plans and message schedule.

Construction Documents Deliverables:
- Construction documents package, including specifications & detailed drawings
- Final sign location plans & message schedule template
- Minutes from meetings and teleconferences

Branding

Meetings: (1) weekly meeting/presentation with project team
Schedule: 8 Weeks

1. Meet with project team and relevant project stakeholders to confirm brand identity goals for the Downtown District based on confirmed name.

2. Develop design concepts for the Downtown brand identity including logo and tag line development.

3. Present design concepts to client for the logos, including color palette and applications. Client selects 1 approach for final refinement.

4. Based on client approval, develop and refine the selected design direction (up to 2 rounds of revisions).

5. Present final brand identity design to the project team and obtain final design approval.

6. Based on the final approved logo, develop a Brand Guidelines document for future use.

Branding Deliverables:

- Logo and tag line artwork, including color palette and typography
- Brand Guidelines Document
- Meeting minutes

General Design Services

Meetings: (3) with project team
Schedule: 12 months

1. Kick-off meeting with project team and relevant project stakeholders to review goals and objectives for Specific City of Ontario Marketing projects. Discuss the vision for the requested materials and identify the intended target audience.

2. Based on the results of initial discussion, analysis, and interviews, develop functional criteria/ design requirements. Review City of Ontario design criteria and Brand Guidelines with the project team and obtain input/approval.

3. Develop 2-3 design concepts for the requested marketing materials for City of Ontario.

4. Present design concepts to client, including color palette and applications. Client selects 1 approach for final refinement.

5. Based on client approval, develop and refine the selected design direction.

6. Present final visual identity design for each requested material to the project team and obtain final design approval.

Deliverables:

- Provide finalized designs for approved collateral suitable for print and digital distribution, along with all artwork and design files in their native, editable, and unflattened file formats, allowing for potential future modifications.
- Meeting minutes

Event Branding Services for the State of the City

Meetings: (3) with project team
Schedule: Variable (Timeline provided by the City of Ontario Economic Development Agency)

1. Kick-off meeting with project team and relevant project stakeholders to review goals and objectives for Specific City of Ontario Marketing projects. Discuss the vision for the requested materials and identify the intended target audience.

2. Based on the results of initial discussion, analysis, and interviews, develop functional criteria/ design requirements. Review City of Ontario design criteria and Brand Guidelines with the project team and obtain input/approval.

3. Develop 2-3 design concepts for the requested marketing materials for City of Ontario.

4. Present design concepts to client, including color palette and applications. Client selects 1 approach for final refinement.

5. Based on client approval, develop and refine the selected design direction.

6. Present final visual identity design for each requested material to the project team and obtain final design approval.

Visual Identity and Marketing Collateral Development Deliverables:

- Event Brand Creation
- Logo and Style Guide Development
- Sponsorship Opportunities Brochure
- Sponsor Advertisement Specifications Flyer
- Invitations and Save the Date Materials
- Registration Flyers
- Social Media Graphics
- Email Signatures
- Program Booklets
- Attendee Lanyards and Badges
- Event Signage
- Thank You Sponsor Boards
- Digital Screen Graphics and Sponsor Loops
- Meeting minutes

EXHIBIT "C"
FEES

Selbert Perkins Design.

Fee Proposal

Downtown Signage and Wayfinding	Schedule	Fee
Analysis and Research	4 weeks	$20,000
Concept Design	8 weeks	$40,000
Design Development	6 weeks	$30,000
Construction Documents	6 weeks	$20,000
Brand Development	6 weeks	$25,000
Brand Guidelines Document	2 weeks	$12,500
Expenses		NTE $2,000
Total		$149,500

Scope of Work	Schedule	Fee
General Marketing Materials including SOTC	12 months	Houly, NTE $60,000
Expenses		NTE $2,500
Total		$62,500

Expenses

All expenses such as color copies, material samples, travel and related costs, etc. are included in the above NTE fee, and will be billed at cost without mark-up.

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Financial Services Prepared By: Stephanie Castro Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Reviewed By: Claudia Hernandez, Matthew Hernandez Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 5

SUBJECT: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 76 (COMPASS POINTE)**

RECOMMENDATION: That the City Council adopt an Ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 76 (Compass Pointe).

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The use of Mello-Roos financing in the Compass Pointe residential development is projected to generate approximately $462,518 per year, at build-out, to fund administrative fees and municipal services; and approximately $14.9 million in bond proceeds to be used to fund a portion of the public infrastructure improvements needed to serve the project. Mello-Roos bonds are not a direct obligation of the City and are paid from special taxes levied on each taxable parcel in the District. As a result, there is no fiscal impact to the General Fund from the issuance of Mello-Roos bonds. City Council approval will be required to process annual special tax levies in future years.

BACKGROUND & ANALYSIS: The Mello-Roos Community Facilities Act of 1982 (the Act) provides local government, with the consent from the qualified electors, the authority to establish community facilities districts for the purpose of levying special taxes to finance various public infrastructure facilities and municipal services.

At a public hearing conducted by the City Council on November 4, 2025, the City Council adopted a Resolution of Formation of Community Facilities District No. 76 (Compass Pointe); authorized the levy of a special tax; established an appropriations limit of the Community Facilities District; adopted a Resolution Deeming it Necessary for City of Ontario Community Facilities District No. 76

(Compass Pointe) to Incur Bonded Indebtedness; and called a special election for the Community Facilities District. On that date, an election was held in which the qualified electors of the Community Facilities District approved said proposition by more than the two-thirds vote required by the Act. Adoption of the proposed Ordinance to authorize the levy of special taxes within the Community Facilities District will conclude the formation process for the City of Ontario Community Facilities District No. 76 (Compass Pointe).

The Compass Pointe is a residential project development that is approximately 51.1 gross acres located south of Eucalyptus Avenue, north of Parkview Street, west of Haven Avenue, east of Archibald Avenue. At build-out, the project is expected to include 350 residential units consisting of 67 single-family units and 283 attached units.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING A SPECIAL TAX WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 76 (COMPASS POINTE).

WHEREAS, on September 16, 2025, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "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. 76 (Compass Pointe) and to Authorize the Levy of a Special Tax Therein," stating its intention to establish City of Ontario Community Facilities District No. 76 (Compass Pointe) (the "Community Facilities District") and to authorize the Community Facilities District to levy a special tax (the "Special Tax") within the Community Facilities District for the purpose of financing certain public facilities (the "Facilities") and services (the "Services"); and

WHEREAS, on November 4, 2025, the City Council held a noticed public hearing on the establishment of the Community Facilities District, as required by the Act; and

WHEREAS, subsequent to the close of said hearing, the City Council adopted resolutions entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of City of Ontario Community Facilities District No. 76 (Compass Pointe), Proposing that the Community Facilities District be Authorized to Levy a Special Tax and Proposing that an Appropriations Limit of the Community Facilities District be Established" (the "Resolution of Formation"), "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary for City of Ontario Community Facilities District No. 76 (Compass Pointe) to Incur Bonded Indebtedness" and "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 76 (Compass Pointe)," which resolutions established the Community Facilities District, proposed that the Community Facilities District be authorized to levy the Special Tax within the Community Facilities District, proposed that an appropriations limit of the Community Facilities District be established and called a special election to submit to the qualified electors of the Community Facilities District the combined ballot proposition to authorize the Community Facilities District to incur bonded indebtedness, to authorize the Community Facilities District to levy the Special Tax and to establish the appropriations limit of the Community Facilities District; and

WHEREAS, on November 4, 2025, an election was held in which the qualified electors of the Community Facilities District approved said proposition by more than the two-thirds vote required by the Act; and

WHEREAS, the City Council is the legislative body of the Community Facilities District.

THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby authorizes and levies the Special Tax within the Community Facilities District pursuant to Sections 53328 and 53340 of the Act, at the rate and in accordance with the method of apportionment set forth in Exhibit B to the Resolution of Formation (the "Rate and Method"). The Special Tax is hereby levied commencing in fiscal year 2026-27 and in each fiscal year thereafter until the last fiscal year in which the Special Tax is authorized to be levied pursuant to the Rate and Method.

SECTION 2. The City Council may, pursuant to subdivision (b) of Section 53340 of the Act, provide, by resolution, for the levy of the Special Tax in the current tax year or in future tax years at the same rate or at a lower rate than the rate provided by this Ordinance. In no event shall the Special Tax be levied on any parcel within the Community Facilities District in excess of the maximum tax specified therefor in the Rate and Method.

SECTION 3. The Special Tax shall be levied on all of the parcels in the Community Facilities District, unless exempted by law or by the Rate and Method.

SECTION 4. The proceeds of the Special Tax shall only be used to pay, in whole or in part, the cost of providing the Facilities and Services and incidental expenses pursuant to the Act.

SECTION 5. The Special Tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in the case of delinquency as is provided for *ad valorem* taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners.

SECTION 6. If for any reason any portion of this Ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel within the Community Facilities District by a court of competent jurisdiction, the balance of this Ordinance and the application of the Special Tax to the remaining parcels within the Community Facilities District shall not be affected.

SECTION 7. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

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

PASSED, APPROVED, AND ADOPTED this 18th day of November 2025.

_____
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 Ordinance No. 3319 was duly introduced at a regular meeting of the City Council of the City of Ontario held November 4, 2025 and adopted at the regular meeting held November 18, 2025 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 3319 duly passed and adopted by the Ontario City Council at their regular meeting held November 18, 2025 and that Summaries of the Ordinance were published on November 11, 2025 and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Jeffrey Tang Department: Prepared By: Henry D Pham Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Khoi Do, Andrea Ampig, Bonnie Tam Approved By: 	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 6

SUBJECT: A CONSTRUCTION CONTRACT WITH AWI BUILDERS, INC. FOR THE CONSTRUCTION OF THE ONTARIO ARENA PLAZA PROJECT

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Construction Contract with AWI Builders, Inc., of Ontario, California, for the Ontario Arena Plaza Project in the amount of $25,991,911 and authorize a 10% contingency of $2,599,191 for a total not-to-exceed contract amount of $28,591,102; 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:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Invest in the Growth and Evolution of the City's Economy
Maintain the Current High Level of Public Safety

FISCAL IMPACT: The proposed Construction Contract with AWI Builders, Inc. is in the amount of $25,991,911 plus a 10% contingency of $2,599,191 for a total not-to-exceed contract amount of $28,591,102. The Fiscal Year 2025-26 Adopted Budget includes partial appropriations for the D&C24-009 Ontario Arena Plaza Project in the Capital Projects-Measure Q Fund. If approved, additional appropriations will be included in future quarterly budget updates to the City Council for approval as needed.

BACKGROUND & ANALYSIS: The Arena Plaza Project is a public plaza within the Arena

Entertainment District, designed to include two wine bars integrated into the surrounding Adept mixed-use development, creating a vibrant and connected community space. The construction of the Plaza will include custom water features, lighting, enhanced paving, and landscaping. The Plaza will encourage entertainment, dining, and pedestrian activities.

On September 11, 2025, the City solicited bids for Invitation No. 1937 Ontario Arena Plaza and received eight responses at the close of the bid on October 21, 2025. The following is a summary of the bid results:

COMPANY	LOCATION	AMOUNT
AWI Builders, Inc.	Ontario, CA	$25,991,911
PCN3, Inc.	Los Alamitos, CA	$27,680,000
Bogh Construction LLC	Beaumont, CA	$28,734,700
Woodcliff Corporation	Los Angeles, CA	$28,757,000
RCCI	Azusa, CA	$29,808,869
Plyco Corp.	Jurupa Valley, CA	$32,947,000
2H Construction	Signal Hill, CA	$33,979,000
ACC CONTRACTORS, Inc.	Azusa, CA	$39,000,000

AWI Builders, Inc., of Ontario, California, submitted the lowest responsive and responsible bid. Based on their credentials, pricing, favorable reference checks, and successful completion of similar work in the past, Staff recommends awarding Construction Contract D&C24-009 Ontario Arena Plaza Project to AWI Builders, Inc. The project's estimated completion date is November 2026.

CITY OF ONTARIO
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CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. _____ 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 **AWI Builders, 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&C24-009 ONTARIO ARENA PLAZA

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 **320** 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-Five Million Nine Hundred Ninety-One Thousand Nine Hundred Eleven Dollars ($25,991,911.00).** 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 **$500** 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
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.

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

AWI Builders, 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

[IF CORPORATION, TWO SIGNATURES, PRESIDENT **OR** VICE PRESIDENT **AND** SECRETARY **OR** TREASURER **REQUIRED]**

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Broadband Operations Prepared By: Vanny Khu Department: Prepared By: Vanny Khu Staff Member Presenting: Jimmy Chang, Broadband General Manager Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 7

SUBJECT: **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH RONALD IVIE FOR CONSULTING SUPPORT SERVICES FOR THE ONTARIONET BROADBAND STRATEGIC PLANNING**

RECOMMENDATION: That the City Council approve and authorize the City Manager, or his designee, to execute Amendment No. 4 to the Professional Services Agreement with Ronald Ivie, of Boise, ID, for consulting support services for the OntarioNet Broadband strategic business, operations and technology network planning, and systems project management in the amount of $540,000 for a total not-to-exceed contract amount of $1,800,000 and extending the term of the agreement to June 30, 2029.

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

FISCAL IMPACT: The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Broadband/Fiber Fund to cover the cost of the services. The proposed Amendment No. 4 increases the authorized contract amount by $540,000, for a revised total not-to-exceed contract amount of $1,800,000. If approved, appropriations will be added to the future years' budgets consistent with the annual adoption process. There is no direct impact to the General Fund.

BACKGROUND & ANALYSIS: Broadband strategic planning and project management are key components to the continuation of the City's Broadband/Fiber Optic Expansion Project, commonly known as OntarioNet. These services are essential in ensuring the project's business operations is developed, maintained, and enhanced to meet the current and future demands and operated at or above industry standards.

The City entered into an agreement with Ronald Ivie in July 2022, under which Ronald Ivie has provided specialized broadband strategy, development and operations support consulting services. Since that time, Ronald Ivie has played an integral role in the planning, design, and oversight of the City's broadband expansion efforts. Throughout the course of this agreement, Ronald Ivie has consistently demonstrated the ability to deliver a high level of technical proficiency, responsiveness,

and commitment to the success of OntarioNet.

Staff recommends approval of Amendment No. 4 under the sole source provision. Ronald Ivie has been an advisor on the City's broadband fiber-optic network for over 20 years and was the author of the City's fiber-optic master plan, adopted in 2013. He is uniquely qualified to perform broadband advanced network planning, strategic operational support, and business development. Transitioning to a new consultant at this stage would require significant time and resources to duplicate the institutional knowledge and project familiarity that Ronald Ivie already possesses. The use of the sole source provision will allow the City to minimize disruption to ongoing work and ensure the continued advancement of this critical infrastructure initiative while supporting the City's strategic goals for connectivity and technological advancement.

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SCOTT OCHOA
CITY MANAGER

November 11, 2025

Ronald Ivie
3401 S Old Wick Ave.
Eagle, ID 83616

Re: Notice to Extend Agreement with Ronald Ivie, Amendment No. 4

Dear Ronald Ivie,

As you know, the City of Ontario ("City") and Ronald Ivie ("Consultant") entered into a Professional Services Agreement dated July 19, 2022, Amendment No.1 dated September 17, 2024, Amendment No.2 dated June 3, 2025, and Amendment No.3 dated July 28, 2025 (the "Agreement"). The term of the Agreement is set to expire on July 18, 2026.

Pursuant to the Agreement, the City has the sole discretion to renew the Agreement for additional term years. Through this letter, the City hereby extends the term of the Agreement an additional three years and increases the dollar value by $540,000 for a new total not-to-exceed amount of $1,800,000.

The terms and conditions of the Agreement shall remain the same.

If you have any questions, please don't hesitate to contact Vanny Khu at the City.

Sincerely,

Scott Ochoa
City Manager

BB&K (2021)

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Broadband Operations Prepared By: Vanny Khu Staff Member Presenting: Jimmy Chang, Broadband General Manager Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 8

SUBJECT: **A PROFESSIONAL SERVICES AGREEMENT WITH TELCON SERVICES, LLC, FOR THE ONTARIONET BROADBAND DESIGN, ENGINEERING, MAPPING, SYSTEM INTEGRATION, AND INSPECTION SERVICES**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute a Professional Services Agreement with Telcon Services, LLC, of Eagle, ID, for the OntarioNet Broadband Integration Support services, in the amount of $1,080,000 from December 1, 2025, to November 30, 2028, with the option to extend the agreement for up to two successive one-year periods for a total not-to-exceed contract amount of $1,800,000.

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

FISCAL IMPACT: The recommended Agreement is for $1,080,000 for the initial term. At the City's discretion, up to two additional one-year extensions may be executed. Should the City exercise the two successive one-year extensions, the projected amount for the five years (December 1, 2025, to November 30, 2030) would be a total not-to-exceed amount of $1,800,000. The Fiscal Year 2025-26 Current Budget includes appropriations in the Broadband/Fiber Fund to cover the cost of the services. There is no direct impact to the General Fund.

BACKGROUND & ANALYSIS: Broadband design, engineering, project management, and inspection services are critical components to the continuation of the City's Broadband/Fiber Optic Expansion Project, commonly known as OntarioNet. These services are essential in ensuring the project's infrastructure is designed to meet the current and future demands, is built to industry standards, and is delivered in a timely manner.

The City entered into an agreement with Telcon Services in December 2021, under which Telcon Services has provided specialized expertise and support for the implementation of OntarioNet. Since that time, Telcon Services has played an integral role in the planning, design, and oversight of the City's broadband expansion efforts. Throughout the course of this agreement, Telcon Services has consistently demonstrated its ability to deliver a high level of technical proficiency, responsiveness, and commitment to the success of OntarioNet. The City has now exhausted the allowable term limits for renewing this agreement.

Staff recommends approval of a new agreement under the sole source provision. This recommendation is based on Telcon Services' knowledge of the City's broadband infrastructure and proven ability to deliver quality work. Transitioning to a new service provider at this stage would require significant time and resources to duplicate the institutional knowledge and project familiarity that Telcon Services already possesses. The use of the sole source provision will allow the City to minimize disruption to ongoing work and ensure the continued advancement of this critical infrastructure initiative while supporting the City's strategic goals for connectivity and technological advancement.

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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 **Telcon Services, LLC**, an Independent Contractor, with its principal place of business at 3401 S Old Wick Ave, Eagle, ID 83616 ("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 Consulting Support for the OntarioNet Broadband Strategic Planning 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 OntarioNet Broadband Strategic Planning consulting 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 OntarioNet Broadband Strategic Planning consulting services necessary for the Project ("Services"). The Services 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.

3.1.2 Term. The term of this Agreement shall be from December 1, 2025, to November 30, 2028, 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 "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed one million eighty-thousand dollars ($1,080,000) 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.

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 "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 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 "B" 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: Ronald Ivie.

3.3.5 City's Representative. The City hereby designates Jimmy Chang, Broadband General Manager, 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 Ronald Ivie, 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” or “B” 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.

(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) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Consultant's profession with limits of not less than $2,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). 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.

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: Telcon Services, LLC
3401 S Old Wick Ave
Eagle, ID 83616
ATTN: Ronald Ivie

City: City of Ontario
303 East "B" Street
Ontario, CA 91764
ATTN: Jimmy Chang, Broadband General Manager

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.

3.8 provisions of state law, the more stringent requirement shall control.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND TELCON SERVICES, LLC

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

TELCON SERVICES, LLC

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

OntarioNet
Broadband Engineering Support

Telcon Services will continue to support OntarioNet by performing on-going planning, system design, details project design, Asbuilt Mapping/OSS updates, Building Entrance Design, Coordinate with On-call contractors, Assist with Outages and Fiber Related issues.

- **Fiber to the Home**
  - NMC – After new Fiber to the Home areas are designed, CAD files and plans are requested from the developer to create fiber placing and splicing designs for new homes. All new SFU, MDU, and apartments will have individual fibers assigned and rippled through a neighborhood-wide design. New service cabinet locations will be outlined and designed for construction, with feeder fiber designed back to a city POP.
  - OMC - The field design would be based on a combination of traditional construction along the mainline routes and the use of potential streetlight conduits for lateral feeders. We recognize that not all areas of the City could leverage the streetlight conduits system. The FTTx field, design and development of construction-ready project plans would follow the standard City plan check process and project flow as outlined in Design, Field Design & Conceptual Design and Detailed Design sections. Prepare final installation plans, support any plan check, permitting edits and post-construction records.
- **MDU Customer Development** – Coordinate with the property owner to obtain permission to perform a site survey, to gain knowledge of the engineering required to deploy fiber on the premises and prepare an overview of the build-out for client review. Once approved and negotiated with the landowner, perform a complete conduit, MDF/IDF review of the property, customer address verification, fiber design and prepare construction plans per target property identified. Prepare construction and installation drawings for the specific properties, maintain as-builts and coordinate the installation of the system through the on-call contractors.
- **System Planning** – Knowing that the backbone is a key component of both short-term and long-term success, we will maintain and improve ongoing network planning throughout the entire city. A planning document would be created and maintained to define the fiber cable counts for both future and project-specific deployments. Prepare overview planning maps with existing and expansion areas for the operational teams' visualization of the upcoming areas of service.

- **Fiber Splicing / System Testing** – All work performed in the field to create new ring cut and butt splice points, tie in backbone and lateral cables and MPTs, troubleshoot and repair damaged fibers, on-call response for cable damages, end to end testing of all work completed, review and mark-up of existing plans to show work completed and fiber "ready to place".

- **GIS Mapping, Records & OSS Updates**
  - Maintain all fiber allocation records for business and residential customers
  - Create new fiber assignment sheets when new developments are designed
  - Update OSS with fiber assignments and maintain address search tools
  - Update GIS and KMZ maps with all new infrastructure, addresses, and parcel lines

Plan Check Review and Development Planning – Review all DAB planning submittals and engineering fiber improvement plans, providing comments for corrections and reference files, existing points of connection, and optimize developer design plans for City network needs. All plans are documented and saved for future planning, and the designed infrastructure is uploaded to the OSS map and planning maps, which are utilized for outlining future service cabinets and overall backbone designs. This also requires frequent interaction with developers and designers to review comments and ensure understanding of the Conditions of Approval.

City Services

- Design, construct, and maintain city service links throughout the city to new and existing city service buildings.
- All new traffic cabinets within the city now include Broadband infrastructure when being built. This requires planning and design work to connect each cabinet back to the city network, in addition to building out to all existing traffic signals as we design throughout the city.
- Well site design of all new and existing well sites throughout the city

Invoice Review – review and approve all construction and placing invoicing. Log placing invoices by TM, Project number, cost for future use of DIF fund review. Log all as-builts for upload to the OSS.

Inventory review and Material Procurement – Review and maintain all OSP and ISP materials to ensure all items in inventory are kept in stock. Prepare quotes for materials

and review quotes with various sales reps. Maintain current knowledge of new and upcoming products that may be beneficial for implementation within the city.

City Standards and reference documents – Keep City Standard Documents and reference files up to date. Create and design new City Standard Documents to be submitted and approved by the City Engineer and uploaded to the city website, which are used as source material for development and construction standards.

Hourly Rate Schedule

PERSONEL	PERSONEL	UNIT	RATE	
Project Engineer	*Cameron Chadwick*	*Hourly*	*$*	*125*
*Fiber Technician**	*Michael Flota*	*Hourly*	*$*	*90*
GIS Developer	*Kade Oeding*	*Hourly*	*$*	*80*
Sr. OSP Engineer	*Neil Blatt*	*Hourly*	*$*	*75*
OSP Engineer	*Roger Edwards*	*Hourly*	*$*	*65*
CADD Designer	*Amber Taylor*	*Hourly*	*$*	*50*
Field Engineer		*Hourly*	*$*	*45*
CADD Support		*Hourly*	*$*	*40*
Project Assistant		*Hourly*	*$*	*36*

**Rate Includes the use of a truck, trailer, splicing equipment and fuel costs to complete the work.*

Expenses

All expenses will be submitted with receipts and be reimbursed at cost. Expenses would be approved by OntarioNet, typically travelling to complete design work, fielding or meetings to complete work for the network.

EXHIBIT "C"
COMPENSATION

Hourly Rate Schedule

PERSONEL	PERSONEL	UNIT	RATE	
Project Engineer	*Cameron Chadwick*	*Hourly*	$	*125*
*Fiber Technician**	*Michael Flota*	*Hourly*	$	*90*
GIS Developer	*Kade Oeding*	*Hourly*	$	*80*
Sr. OSP Engineer	*Neil Blatt*	*Hourly*	$	*75*
OSP Engineer	*Roger Edwards*	*Hourly*	$	*65*
CADD Designer	*Amber Taylor*	*Hourly*	$	*50*
Field Engineer		*Hourly*	$	*45*
CADD Support		*Hourly*	$	*40*
Project Assistant		*Hourly*	$	*36*

**Rate Includes the use of a truck, trailer, splicing equipment and fuel costs to complete the work.*

Expenses

All expenses will be submitted with receipts and be reimbursed at cost. Expenses would be approved by OntarioNet, typically travelling to complete design work, fielding or meetings to complete work for the network.

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Police Department Prepared By: Nicole Alvarez Department: Prepared By: Nicole Alvarez Staff Member Presenting: Mike Lorenz, Chief of Police Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 9

SUBJECT: ACCEPT AND APPROVE LAW ENFORCEMENT GRANT PROGRAM FOR FISCAL YEAR 2025- 26

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute all documents necessary to accept and approve the Citizen' s Option for Public Safety (COPS) / Enhancing Law Enforcement Activities Subaccount (ELEAS) Grant for Fiscal Year 2025- 26 in the amount of $281,812.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: As part of the COPS/ ELEAS grant program, the City of Ontario is eligible to receive a maximum grant award of $281,812. This amount is based on an estimation of the State' s Vehicle License Fee (VLF) revenues for Fiscal Year 2025- 26. The allocation may only be re-calculated and adjusted by the State Controller's Office. Additionally, the grant funds will be distributed to the City in monthly installments and no matching funds by the City are required. If approved, the associated revenue and appropriations will be included in the Grants Fund at the next quarterly budget update to Council for approval.

BACKGROUND & ANALYSIS: Beginning in Fiscal Year 2002- 03, the State of California allocated grant monies Citizen' s Option for Public Safety (COPS) / Enhancing Law Enforcement Activities Subaccount (ELEAS), formerly known as Supplemental Law Enforcement Services Fund to counties. The County granted those monies to cities for the purpose of supporting front-line law enforcement needs including but not limited to equipment and training.

On October 2, 2025 the California State Department of Finance announced the estimated funding allocation amounts to be awarded to each participating agency under the COPS/ ELEAS grant program. The City of Ontario is eligible to receive a maximum grant award of $281,812.

DEPARTMENT OF FINANCE

Gavin Newsom ▪ Governor

915 L Street ▪ Sacramento CA ▪ 95814-3706 ▪ www.dof.ca.gov

September 9, 2025

Honorable Malia M. Cohen
State Controller
3301 C Street
Sacramento, CA 95816

Attention: Evelyn Calderon-Yee, Chief
Bureau of Payments, Local Government Programs and Services Division,
State Controller's Office

Dear Controller Cohen:

Pursuant to Government Code section 30029.05, subdivision (e), paragraph (2), the Department of Finance respectfully submits the attached (Attachments I and II) percentages for the 2025-26 allocation of $214,200,000 in Citizens' Option for Public Safety (COPS) and Juvenile Justice Crime Prevention Act (JJCPA) funds deposited in the Enhancing Law Enforcement Activities Subaccount (ELEAS) in the Law Enforcement Services Account within the Local Revenue Fund 2011.

Pursuant to Government Code section 30061, subdivisions (b) and (g), subsequent to the allocation described in Section 29552, subdivision (d), 47.08727192 percent of the remaining funds deposited in the ELEAS for the COPS (23.54363596 percent) and JJCPA (23.54363596 percent) programs are to be allocated, according to the relative population for each county and city, as follows:

(1) 5.15 percent to county sheriffs for county jail construction and operation ($11,031,300).

(2) 5.15 percent to district attorneys for criminal prosecution ($11,031,300).

(3) 50 percent to counties to implement a comprehensive multi-agency juvenile justice plan ($107,100,000).

(4) 39.7 percent to counties and cities for front-line law enforcement ($85,037,400).

Please note that the by-county percentages for the first three allocations above: (1) county jail construction and operation, (2) district attorney criminal prosecution, and (3) multi-agency juvenile justice plans, are specified on Attachment I and the by-county/city percentages for the fourth allocation, front-line law enforcement, are identified on Attachment II.

Pursuant to Government Code section 30061, subdivision (b), paragraph (3), each law enforcement jurisdiction receiving front-line law enforcement funding is to receive a minimum grant of $100,000. The percentages included in Attachment II are calculated in a manner that provides for a minimum grant allocation of $100,000 to each law enforcement jurisdiction listed in Attachment II.

Also note that the allocations shown on Attachments I and II may be slightly different from the final allocations made by the State Controller's Office due to rounding.

If you have any questions, or need additional information, please call Kyle Gayman, Finance Budget Analyst, at (916) 445-8913.

Sincerely,

Amy Jarvis

AMY JARVIS
Program Budget Manager

Attachment

cc:
Anne Kato, Acting Chief, Local Government Programs and Services Division, State Controller's Office
Evelyn Calderon-Yee, Chief, Bureau of Payments, Local Government Programs and Services Division, State Controller's Office
Melma Dizon, Manager, Local Apportionments Section, Local Government Programs and Services Division, State Controller's Office
Aaron Maguire, Executive Director, Board of State and Community Corrections

2025-26 Enhancing Law Enforcement Activities Subaccount
Citizens' Option for Public Safety (COPS) and Juvenile Justice Crime Prevention Act (JJCPA) Allocations
Based on Jan. 1, 2025 Population Estimates

			COPS (Excluding Front-line Enforcement)				JJCPA		Subtotal		COPS (Front-line Law Enforcement)*		Total
			5.15%		5.15%		50.00%		60.30%		39.70%		100.00%
			11,031,300		11,031,300		107,100,000		129,162,600		85,037,400		214,200,000
County	1/1/2025 Population by County	Percent of 1/1/2025 Population by County	Co. Jail Operation Allocation by County	Percent of Co. Jail Operation Allocation by County	District Attorney Allocation by County	Percent of District Attorney Allocation by County	Juvenile Justice Allocation by County	Percent of Juvenile Justice Allocation by County	Total Allocation by County	Percent of Total Allocation by County	Front-line Law Enforcement	Percent of Total Allocation by County	Total Allocation by County
Alameda	1,662,482	4.20571669%	$463,945	4.20571669%	$463,945	4.20571669%	$4,504,323	4.20571669%	$5,432,213	4.20571669%	$2,797,398	3.28960930%	$8,229,611
Alpine	1,177	0.00297755%	$328	0.00297755%	$328	0.00297755%	$3,189	0.00297755%	$3,846	0.00297755%	$100,000	0.11759532%	$103,846
Amador	39,563	0.10008576%	$11,041	0.10008576%	$11,041	0.10008576%	$107,192	0.10008576%	$129,273	0.10008576%	$600,000	0.70557190%	$729,273
Butte	207,525	0.52499297%	$57,914	0.52499297%	$57,914	0.52499297%	$562,267	0.52499297%	$678,095	0.52499297%	$673,984	0.79257419%	$1,352,079
Calaveras	44,722	0.11313690%	$12,480	0.11313690%	$12,480	0.11313690%	$121,170	0.11313690%	$146,131	0.11313690%	$200,000	0.23519063%	$346,131
Colusa	22,026	0.05572097%	$6,147	0.05572097%	$6,147	0.05572097%	$59,677	0.05572097%	$71,971	0.05572097%	$300,000	0.35278595%	$371,971
Contra Costa	1,158,225	2.93005652%	$323,223	2.93005652%	$323,223	2.93005652%	$3,138,091	2.93005652%	$3,784,537	2.93005652%	$2,559,844	3.01025712%	$6,344,382
Del Norte	26,544	0.06715053%	$7,408	0.06715053%	$7,408	0.06715053%	$71,918	0.06715053%	$86,733	0.06715053%	$200,000	0.23519063%	$286,733
El Dorado	190,770	0.48260647%	$53,238	0.48260647%	$53,238	0.48260647%	$516,872	0.48260647%	$623,347	0.48260647%	$443,151	0.52112445%	$1,066,498
Fresno	1,037,053	2.62351780%	$289,408	2.62351780%	$289,408	2.62351780%	$2,809,788	2.62351780%	$3,388,604	2.62351780%	$2,593,429	3.04975080%	$5,982,033
Glenn	29,369	0.07429716%	$8,196	0.07429716%	$8,196	0.07429716%	$79,572	0.07429716%	$95,964	0.07429716%	$300,000	0.35278595%	$395,964
Humboldt	133,817	0.33852781%	$37,344	0.33852781%	$37,344	0.33852781%	$362,563	0.33852781%	$437,251	0.33852781%	$807,696	0.94981261%	$1,244,947
Imperial	186,499	0.47180177%	$52,046	0.47180177%	$52,046	0.47180177%	$505,300	0.47180177%	$609,391	0.47180177%	$800,000	0.94076254%	$1,409,391
Inyo	18,800	0.04755990%	$5,246	0.04755990%	$5,246	0.04755990%	$50,937	0.04755990%	$61,430	0.04755990%	$200,000	0.23519063%	$261,430
Kern	923,961	2.33741972%	$257,848	2.33741972%	$257,848	2.33741972%	$2,503,377	2.33741972%	$3,019,072	2.33741972%	$2,309,413	2.71576153%	$5,328,485
Kings	154,015	0.38962434%	$42,981	0.38962434%	$42,981	0.38962434%	$417,288	0.38962434%	$503,249	0.38962434%	$500,000	0.58797658%	$1,003,249
Lake	67,254	0.17013794%	$18,768	0.17013794%	$18,768	0.17013794%	$182,218	0.17013794%	$219,755	0.17013794%	$300,000	0.35278595%	$519,755
Lassen	28,716	0.07264521%	$8,014	0.07264521%	$8,014	0.07264521%	$77,803	0.07264521%	$93,830	0.07264521%	$200,000	0.23519063%	$293,830
Los Angeles	9,876,811	24.98617664%	$2,756,300	24.98617664%	$2,756,300	24.98617664%	$26,760,195	24.98617664%	$32,272,795	24.98617664%	$18,542,720	21.80537059%	$50,815,516
Madera	162,599	0.41133999%	$45,376	0.41133999%	$45,376	0.41133999%	$440,545	0.41133999%	$531,297	0.41133999%	$319,847	0.37612473%	$851,144
Marin	254,550	0.64395596%	$71,037	0.64395596%	$71,037	0.64395596%	$689,677	0.64395596%	$831,750	0.64395596%	$1,201,496	1.41290293%	$2,033,246
Mariposa	16,917	0.04279632%	$4,721	0.04279632%	$4,721	0.04279632%	$45,835	0.04279632%	$55,277	0.04279632%	$100,000	0.11759532%	$155,277
Mendocino	89,827	0.22724271%	$25,068	0.22724271%	$25,068	0.22724271%	$243,377	0.22724271%	$293,513	0.22724271%	$500,000	0.58797658%	$793,513
Merced	293,080	0.74142845%	$81,789	0.74142845%	$81,789	0.74142845%	$794,070	0.74142845%	$957,648	0.74142845%	$784,477	0.92250833%	$1,742,125
Modoc	8,491	0.02148038%	$2,370	0.02148038%	$2,370	0.02148038%	$23,005	0.02148038%	$27,745	0.02148038%	$200,000	0.23519063%	$227,745
Mono	12,684	0.03208775%	$3,540	0.03208775%	$3,540	0.03208775%	$34,366	0.03208775%	$41,445	0.03208775%	$200,000	0.23519063%	$241,445
Monterey	438,831	1.11014667%	$122,464	1.11014667%	$122,464	1.11014667%	$1,188,967	1.11014667%	$1,433,894	1.11014667%	$1,506,114	1.77111902%	$2,940,008
Napa	136,124	0.34436402%	$37,988	0.34436402%	$37,988	0.34436402%	$368,814	0.34436402%	$444,790	0.34436402%	$618,799	0.72767811%	$1,063,588
Nevada	100,354	0.25387372%	$28,006	0.25387372%	$28,006	0.25387372%	$271,899	0.25387372%	$327,910	0.25387372%	$401,973	0.47270110%	$729,883
Orange	3,175,427	8.03313741%	$886,159	8.03313741%	$886,159	8.03313741%	$8,603,490	8.03313741%	$10,375,809	8.03313741%	$5,637,270	6.62916545%	$16,013,079
Placer	421,446	1.06616642%	$117,612	1.06616642%	$117,612	1.06616642%	$1,141,864	1.06616642%	$1,377,088	1.06616642%	$927,171	1.09030948%	$2,304,259
Plumas	18,885	0.04777493%	$5,270	0.04777493%	$5,270	0.04777493%	$51,167	0.04777493%	$61,707	0.04777493%	$200,000	0.23519063%	$261,707
Riverside	2,495,640	6.31342463%	$696,453	6.31342463%	$696,453	6.31342463%	$6,761,678	6.31342463%	$8,154,583	6.31342463%	$4,599,559	5.40886638%	$12,754,143
Sacramento	1,604,745	4.05965468%	$447,833	4.05965468%	$447,833	4.05965468%	$4,347,890	4.05965468%	$5,243,556	4.05965468%	$2,611,378	3.07085879%	$7,854,934
San Benito	66,822	0.16904508%	$18,648	0.16904508%	$18,648	0.16904508%	$181,047	0.16904508%	$218,343	0.16904508%	$300,000	0.35278595%	$518,343
San Bernardino	2,207,424	5.58430104%	$616,021	5.58430104%	$616,021	5.58430104%	$5,980,786	5.58430104%	$7,212,828	5.58430104%	$4,025,057	4.73327828%	$11,237,885
San Diego	3,330,139	8.42452501%	$929,335	8.42452501%	$929,335	8.42452501%	$9,022,666	8.42452501%	$10,881,336	8.42452501%	$5,499,547	6.46720954%	$16,380,882
San Francisco	842,027	2.13014457%	$234,983	2.13014457%	$234,983	2.13014457%	$2,281,385	2.13014457%	$2,751,350	2.13014457%	$1,286,812	1.51323012%	$4,038,162
San Joaquin	805,856	2.03863984%	$224,888	2.03863984%	$224,888	2.03863984%	$2,183,383	2.03863984%	$2,633,160	2.03863984%	$1,493,419	1.75619025%	$4,126,579
San Luis Obispo	279,337	0.70666166%	$77,954	0.70666166%	$77,954	0.70666166%	$756,835	0.70666166%	$912,743	0.70666166%	$883,508	1.03896453%	$1,796,251
San Mateo	748,337	1.89312932%	$208,837	1.89312932%	$208,837	1.89312932%	$2,027,542	1.89312932%	$2,445,215	1.89312932%	$2,340,960	2.75285966%	$4,786,175
Santa Barbara	447,132	1.13114639%	$124,780	1.13114639%	$124,780	1.13114639%	$1,211,458	1.13114639%	$1,461,018	1.13114639%	$1,117,350	1.31395177%	$2,578,369
Santa Clara	1,922,259	4.86289582%	$536,441	4.86289582%	$536,441	4.86289582%	$5,208,161	4.86289582%	$6,281,043	4.86289582%	$3,348,184	3.93730804%	$9,629,227
Santa Cruz	263,710	0.66712876%	$73,593	0.66712876%	$73,593	0.66712876%	$714,495	0.66712876%	$861,681	0.66712876%	$595,821	0.70065803%	$1,457,502
Shasta	180,201	0.45586921%	$50,288	0.45586921%	$50,288	0.45586921%	$488,236	0.45586921%	$588,813	0.45586921%	$443,143	0.52111546%	$1,031,956
Sierra	3,170	0.00801941%	$885	0.00801941%	$885	0.00801941%	$8,589	0.00801941%	$10,358	0.00801941%	$200,000	0.23519063%	$210,358
Siskiyou	43,311	0.10956738%	$12,087	0.10956738%	$12,087	0.10956738%	$117,347	0.10956738%	$141,520	0.10956738%	$1,100,000	1.29354849%	$1,241,520
Solano	449,839	1.13799451%	$125,536	1.13799451%	$125,536	1.13799451%	$1,218,792	1.13799451%	$1,469,863	1.13799451%	$1,028,933	1.20997689%	$2,498,796
Sonoma	482,848	1.22150008%	$134,747	1.22150008%	$134,747	1.22150008%	$1,308,227	1.22150008%	$1,577,721	1.22150008%	$1,272,610	1.49652969%	$2,850,331
Stanislaus	555,765	1.40596418%	$155,096	1.40596418%	$155,096	1.40596418%	$1,505,788	1.40596418%	$1,815,980	1.40596418%	$1,313,945	1.54513815%	$3,129,925
Sutter	100,257	0.25362833%	$27,979	0.25362833%	$27,979	0.25362833%	$271,636	0.25362833%	$327,593	0.25362833%	$307,668	0.36180368%	$635,261
Tehama	64,827	0.16399816%	$18,091	0.16399816%	$18,091	0.16399816%	$175,642	0.16399816%	$211,824	0.16399816%	$400,000	0.47038127%	$611,824
Trinity	15,884	0.04018305%	$4,433	0.04018305%	$4,433	0.04018305%	$43,036	0.04018305%	$51,901	0.04018305%	$100,000	0.11759532%	$151,901
Tulare	487,209	1.23253246%	$135,964	1.23253246%	$135,964	1.23253246%	$1,320,042	1.23253246%	$1,591,971	1.23253246%	$1,144,366	1.34572140%	$2,736,337
Tuolumne	54,357	0.13751135%	$15,169	0.13751135%	$15,169	0.13751135%	$147,275	0.13751135%	$177,613	0.13751135%	$200,000	0.23519063%	$377,613
Ventura	829,005	2.09720176%	$231,349	2.09720176%	$231,349	2.09720176%	$2,246,103	2.09720176%	$2,708,800	2.09720176%	$1,595,987	1.87680654%	$4,304,788
Yolo	225,433	0.57029630%	$62,911	0.57029630%	$62,911	0.57029630%	$610,787	0.57029630%	$736,610	0.57029630%	$500,000	0.58797658%	$1,236,610
Yuba	85,023	0.21508964%	$23,727	0.21508964%	$23,727	0.21508964%	$230,361	0.21508964%	$277,815	0.21508964%	$304,369	0.35792368%	$582,184
Total	39,529,101	100.00000000%	11,031,300	100.00000000%	11,031,300	100.00000000%	107,100,000	100.00000000%	129,162,600	100.00000000%	85,037,400	100.00000000%	214,200,000

*The COPS Front-line Law Enforcement breakdown by county and city for SCO distribution is provided in Attachment II.

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City/County	City/County Population Estimates 1/1/2025	Projected Allocations by City/County	Percent of Allocation by City/County
Alameda	**1,662,482**	**$2,797,398**	**3.28960932%**
Alameda	79,020	$120,761	0.14200904%
Albany	20,578	$100,000	0.11759532%
Berkeley	128,348	$196,145	0.23065776%
Dublin	74,691	$114,145	0.13422927%
Emeryville	13,471	$100,000	0.11759532%
Fremont	232,619	$355,496	0.41804607%
Hayward	162,359	$248,122	0.29177987%
Livermore	85,899	$131,273	0.15437148%
Newark	48,886	$100,000	0.11759532%
Oakland	426,457	$651,725	0.76639772%
Piedmont	10,806	$100,000	0.11759532%
Pleasanton	77,232	$118,028	0.13879577%
San Leandro	87,813	$134,199	0.15781118%
Union City	66,657	$101,867	0.11979115%
Balance of County	147,646	$225,637	0.26533873%
Alpine	**1,177**	**$100,000**	**0.11759532%**
Amador	**39,563**	**$600,000**	**0.70557192%**
Amador	196	$100,000	0.11759532%
Ione	9,037	$100,000	0.11759532%
Jackson	4,822	$100,000	0.11759532%
Plymouth	1,122	$100,000	0.11759532%
Sutter Creek	2,538	$100,000	0.11759532%
Balance of County	21,848	$100,000	0.11759532%
Butte	**207,525**	**$673,984**	**0.79257421%**
Biggs	1,973	$100,000	0.11759532%
Chico	113,847	$173,984	0.20459761%
Gridley	7,302	$100,000	0.11759532%
Oroville	19,653	$100,000	0.11759532%
Paradise	11,088	$100,000	0.11759532%
Balance of County	53,662	$100,000	0.11759532%
Calaveras	**44,722**	**$200,000**	**0.23519064%**
Angels City	3,570	$100,000	0.11759532%
Balance of County	41,152	$100,000	0.11759532%
Colusa	**22,026**	**$300,000**	**0.35278596%**
Colusa	6,536	$100,000	0.11759532%
Williams	5,589	$100,000	0.11759532%
Balance of County	9,901	$100,000	0.11759532%
Contra Costa	**1,158,225**	**$2,559,844**	**3.01025715%**
Antioch	116,781	$178,468	0.20987038%
Brentwood	65,747	$100,477	0.11815576%
Clayton	10,743	$100,000	0.11759532%
Concord	122,650	$187,438	0.22041772%
Danville	42,960	$100,000	0.11759532%
El Cerrito	25,862	$100,000	0.11759532%
Hercules	26,225	$100,000	0.11759532%
Lafayette	25,054	$100,000	0.11759532%
Martinez	36,817	$100,000	0.11759532%
Moraga	16,637	$100,000	0.11759532%
Oakley	46,826	$100,000	0.11759532%
Orinda	19,351	$100,000	0.11759532%
Pinole	18,261	$100,000	0.11759532%
Pittsburg	76,374	$116,717	0.13725384%

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City/County	City/County Population Estimates 1/1/2025	Projected Allocations by City/County	Percent of Allocation by City/County
Pleasant Hill	33,601	$100,000	0.11759532%
Richmond	113,594	$173,598	0.20414293%
San Pablo	31,507	$100,000	0.11759532%
San Ramon	83,391	$127,441	0.14986428%
Walnut Creek	69,927	$106,865	0.12566775%
Balance of County	175,917	$268,842	0.31614533%
Kensington Police Department	0	$100,000	0.11759532%
Del Norte	**26,544**	**$200,000**	**0.23519064%**
Crescent City	6,056	$100,000	0.11759532%
Balance of County	20,488	$100,000	0.11759532%
El Dorado	**190,770**	**$443,151**	**0.52112445%**
Placerville	10,642	$100,000	0.11759532%
South Lake Tahoe	21,022	$100,000	0.11759532%
Balance of County	159,106	$243,151	0.28593381%
Fresno	**1,037,053**	**$2,593,429**	**3.04975084%**
Clovis	129,121	$197,327	0.23204694%
Coalinga	17,608	$100,000	0.11759532%
Firebaugh	8,714	$100,000	0.11759532%
Fowler	7,667	$100,000	0.11759532%
Fresno	557,032	$851,273	1.00105768%
Huron	6,932	$100,000	0.11759532%
Kerman	17,535	$100,000	0.11759532%
Kingsburg	13,285	$100,000	0.11759532%
Mendota	12,710	$100,000	0.11759532%
Orange Cove	9,717	$100,000	0.11759532%
Parlier	14,649	$100,000	0.11759532%
Reedley	26,603	$100,000	0.11759532%
Sanger	27,037	$100,000	0.11759532%
San Joaquin	3,654	$100,000	0.11759532%
Selma	24,585	$100,000	0.11759532%
Balance of County	160,204	$244,829	0.28790706%
Glenn	**29,369**	**$300,000**	**0.35278596%**
Orland	8,704	$100,000	0.11759532%
Willows	6,475	$100,000	0.11759532%
Balance of County	14,190	$100,000	0.11759532%
Humboldt	**133,817**	**$807,696**	**0.94981263%**
Arcata	19,001	$100,000	0.11759532%
Blue Lake	1,136	$100,000	0.11759532%
Eureka	26,122	$100,000	0.11759532%
Ferndale	1,361	$100,000	0.11759532%
Fortuna	12,198	$100,000	0.11759532%
Rio Dell	3,232	$100,000	0.11759532%
Trinidad	296	$100,000	0.11759532%
Balance of County	70,471	$107,696	0.12664539%
Imperial	**186,499**	**$800,000**	**0.94076256%**
Brawley	28,952	$100,000	0.11759532%
Calexico	40,073	$100,000	0.11759532%
Calipatria	6,061	$100,000	0.11759532%
El Centro	46,007	$100,000	0.11759532%
Holtville	5,685	$100,000	0.11759532%
Imperial	22,866	$100,000	0.11759532%
Westmorland	2,084	$100,000	0.11759532%
Balance of County	34,771	$100,000	0.11759532%

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Inyo	**18,800**	**$200,000**	**0.23519064%**
Bishop	3,850	$100,000	0.11759532%
Balance of County	14,950	$100,000	0.11759532%
Kern	**923,961**	**$2,309,413**	**2.71576157%**
Arvin	19,991	$100,000	0.11759532%
Bakersfield	419,238	$640,692	0.75342426%
California City	13,317	$100,000	0.11759532%
Delano	52,831	$100,000	0.11759532%
Maricopa	1,024	$100,000	0.11759532%
McFarland	14,213	$100,000	0.11759532%
Ridgecrest	28,386	$100,000	0.11759532%
Shafter	23,455	$100,000	0.11759532%
Taft	7,087	$100,000	0.11759532%
Tehachapi	11,476	$100,000	0.11759532%
Wasco	26,235	$100,000	0.11759532%
Balance of County	306,708	$468,721	0.55119347%
Bear Valley Community Services Distri	0	$100,000	0.11759532%
Stallion Springs Community Services D	0	$100,000	0.11759532%
Kings	**154,015**	**$500,000**	**0.58797660%**
Avenal	13,315	$100,000	0.11759532%
Corcoran	21,612	$100,000	0.11759532%
Hanford	61,238	$100,000	0.11759532%
Lemoore	27,692	$100,000	0.11759532%
Balance of County	30,158	$100,000	0.11759532%
Lake	**67,254**	**$300,000**	**0.35278596%**
Clearlake	16,533	$100,000	0.11759532%
Lakeport	5,026	$100,000	0.11759532%
Balance of County	45,695	$100,000	0.11759532%
Lassen	**28,716**	**$200,000**	**0.23519064%**
Susanville	12,270	$100,000	0.11759532%
Balance of County	16,446	$100,000	0.11759532%
Los Angeles	**9,876,811**	**$18,542,720**	**21.80536957%**
Agoura Hills	19,904	$100,000	0.11759532%
Alhambra	82,374	$125,886	0.14803660%
Arcadia	56,116	$100,000	0.11759532%
Artesia	16,359	$100,000	0.11759532%
Avalon	3,383	$100,000	0.11759532%
Azusa	48,988	$100,000	0.11759532%
Baldwin Park	70,848	$108,272	0.12732291%
Bell	33,315	$100,000	0.11759532%
Bellflower	76,656	$117,148	0.13776063%
Bell Gardens	38,471	$100,000	0.11759532%
Beverly Hills	31,945	$100,000	0.11759532%
Bradbury	902	$100,000	0.11759532%
Burbank	106,146	$162,216	0.19075793%
Calabasas	22,797	$100,000	0.11759532%
Carson	91,812	$140,310	0.16499790%
Cerritos	47,871	$100,000	0.11759532%
Claremont	37,299	$100,000	0.11759532%
Commerce	12,146	$100,000	0.11759532%
Compton	93,692	$143,183	0.16837650%
Covina	51,090	$100,000	0.11759532%
Cudahy	22,132	$100,000	0.11759532%

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City/County	City/County Population Estimates 1/1/2025	Projected Allocations by City/County	Percent of Allocation by City/County
Culver City	40,403	$100,000	0.11759532%
Diamond Bar	53,539	$100,000	0.11759532%
Downey	111,871	$170,965	0.20104648%
Duarte	23,746	$100,000	0.11759532%
El Monte	107,986	$165,028	0.19406464%
El Segundo	16,983	$100,000	0.11759532%
Gardena	60,263	$100,000	0.11759532%
Glendale	192,212	$293,744	0.34542953%
Glendora	51,254	$100,000	0.11759532%
Hawaiian Gardens	13,561	$100,000	0.11759532%
Hawthorne	85,653	$130,898	0.15392939%
Hermosa Beach	19,014	$100,000	0.11759532%
Hidden Hills	1,746	$100,000	0.11759532%
Huntington Park	53,051	$100,000	0.11759532%
Industry	431	$100,000	0.11759532%
Inglewood	106,305	$162,459	0.19104367%
Irwindale	1,509	$100,000	0.11759532%
La Canada Flintridge	20,160	$100,000	0.11759532%
La Habra Heights	5,503	$100,000	0.11759532%
Lakewood	80,596	$123,169	0.14484131%
La Mirada	48,233	$100,000	0.11759532%
Lancaster	177,768	$271,671	0.31947181%
La Puente	37,546	$100,000	0.11759532%
La Verne	32,300	$100,000	0.11759532%
Lawndale	30,860	$100,000	0.11759532%
Lomita	20,407	$100,000	0.11759532%
Long Beach	462,561	$706,900	0.83128122%
Los Angeles	3,835,263	$5,861,167	6.89245647%
Lynwood	66,660	$101,872	0.11979654%
Malibu	10,604	$100,000	0.11759532%
Manhattan Beach	34,051	$100,000	0.11759532%
Maywood	24,496	$100,000	0.11759532%
Monrovia	38,920	$100,000	0.11759532%
Montebello	62,732	$100,000	0.11759532%
Monterey Park	59,269	$100,000	0.11759532%
Norwalk	101,075	$154,466	0.18164469%
Palmdale	167,097	$255,363	0.30029466%
Palos Verdes Estates	12,999	$100,000	0.11759532%
Paramount	52,371	$100,000	0.11759532%
Pasadena	140,631	$214,917	0.25273188%
Pico Rivera	60,858	$100,000	0.11759532%
Pomona	153,042	$233,883	0.27503603%
Rancho Palos Verdes	40,727	$100,000	0.11759532%
Redondo Beach	68,091	$104,059	0.12236823%
Rolling Hills	1,677	$100,000	0.11759532%
Rolling Hills Estates	8,545	$100,000	0.11759532%
Rosemead	50,501	$100,000	0.11759532%
San Dimas	34,209	$100,000	0.11759532%
San Fernando	23,692	$100,000	0.11759532%
San Gabriel	38,953	$100,000	0.11759532%
San Marino	12,330	$100,000	0.11759532%
Santa Clarita	232,377	$355,126	0.41761116%
Santa Fe Springs	18,680	$100,000	0.11759532%
Santa Monica	93,212	$142,449	0.16751387%
Sierra Madre	10,870	$100,000	0.11759532%
Signal Hill	11,421	$100,000	0.11759532%
South El Monte	19,535	$100,000	0.11759532%
South Gate	92,955	$142,057	0.16705201%
South Pasadena	26,287	$100,000	0.11759532%

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Temple City	36,322	$100,000	0.11759532%
Torrance	143,261	$218,936	0.25745832%
Vernon	207	$100,000	0.11759532%
Walnut	28,214	$100,000	0.11759532%
West Covina	109,428	$167,231	0.19665610%
West Hollywood	35,284	$100,000	0.11759532%
Westlake Village	7,918	$100,000	0.11759532%
Whittier	87,850	$134,255	0.15787768%
Balance of County	1,004,490	$1,535,092	1.80519689%
Madera	**162,599**	**$319,847**	**0.37612473%**
Chowchilla	18,742	$100,000	0.11759532%
Madera	66,443	$101,540	0.11940656%
Balance of County	77,414	$118,306	0.13912285%
Marin	**254,550**	**$1,201,496**	**1.41290296%**
Belvedere	2,058	$100,000	0.11759532%
Corte Madera	9,966	$100,000	0.11759532%
Fairfax	7,407	$100,000	0.11759532%
Larkspur	12,731	$100,000	0.11759532%
Mill Valley	13,688	$100,000	0.11759532%
Novato	51,690	$100,000	0.11759532%
Ross	2,309	$100,000	0.11759532%
San Anselmo	12,551	$100,000	0.11759532%
San Rafael	59,885	$100,000	0.11759532%
Sausalito	6,941	$100,000	0.11759532%
Tiburon	8,910	$100,000	0.11759532%
Balance of County	66,414	$101,496	0.11935444%
Mariposa	**16,917**	**$100,000**	**0.11759532%**
Mendocino	**89,827**	**$500,000**	**0.58797660%**
Fort Bragg	7,187	$100,000	0.11759532%
Point Arena	452	$100,000	0.11759532%
Ukiah	16,325	$100,000	0.11759532%
Willits	4,838	$100,000	0.11759532%
Balance of County	61,025	$100,000	0.11759532%
Merced	**293,080**	**$784,477**	**0.92250834%**
Atwater	31,862	$100,000	0.11759532%
Dos Palos	5,712	$100,000	0.11759532%
Gustine	6,021	$100,000	0.11759532%
Livingston	14,441	$100,000	0.11759532%
Los Banos	48,896	$100,000	0.11759532%
Merced	98,039	$149,826	0.17618861%
Balance of County	88,109	$134,651	0.15834313%
Modoc	**8,491**	**$200,000**	**0.23519064%**
Alturas	2,657	$100,000	0.11759532%
Balance of County	5,834	$100,000	0.11759532%
Mono	**12,684**	**$200,000**	**0.23519064%**
Mammoth Lakes	7,040	$100,000	0.11759532%
Balance of County	5,644	$100,000	0.11759532%
Monterey	**438,831**	**$1,506,114**	**1.77111905%**
Carmel-by-the-Sea	3,049	$100,000	0.11759532%
Del Rey Oaks	1,546	$100,000	0.11759532%
Gonzales	8,434	$100,000	0.11759532%

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Greenfield	20,785	$100,000	0.11759532%
King City	14,344	$100,000	0.11759532%
Marina	23,086	$100,000	0.11759532%
Monterey	27,273	$100,000	0.11759532%
Pacific Grove	14,871	$100,000	0.11759532%
Salinas	160,645	$245,503	0.28869959%
Sand City	373	$100,000	0.11759532%
Seaside	32,019	$100,000	0.11759532%
Soledad	27,310	$100,000	0.11759532%
Balance of County	105,096	$160,611	0.18887094%
Napa	**136,124**	**$618,799**	**0.72767813%**
American Canyon	22,396	$100,000	0.11759532%
Calistoga	5,160	$100,000	0.11759532%
Napa	77,736	$118,799	0.13970153%
St Helena	5,349	$100,000	0.11759532%
Yountville	2,638	$100,000	0.11759532%
Balance of County	22,845	$100,000	0.11759532%
Nevada	**100,354**	**$401,973**	**0.47270111%**
Grass Valley	13,364	$100,000	0.11759532%
Nevada City	3,336	$100,000	0.11759532%
Truckee	16,928	$100,000	0.11759532%
Balance of County	66,726	$101,973	0.11991515%
Orange	**3,175,427**	**$5,637,270**	**6.62916550%**
Aliso Viejo	50,213	$100,000	0.11759532%
Anaheim	341,773	$522,308	0.61420975%
Brea	47,900	$100,000	0.11759532%
Buena Park	82,667	$126,334	0.14856316%
Costa Mesa	110,321	$168,596	0.19826093%
Cypress	49,499	$100,000	0.11759532%
Dana Point	32,730	$100,000	0.11759532%
Fountain Valley	56,560	$100,000	0.11759532%
Fullerton	141,469	$216,197	0.25423787%
Garden Grove	171,492	$262,079	0.30819304%
Huntington Beach	193,134	$295,153	0.34708648%
Irvine	318,629	$486,939	0.57261703%
Laguna Beach	22,763	$100,000	0.11759532%
Laguna Hills	30,309	$100,000	0.11759532%
Laguna Niguel	65,257	$100,000	0.11759532%
Laguna Woods	17,183	$100,000	0.11759532%
La Habra	61,202	$100,000	0.11759532%
Lake Forest	87,639	$133,933	0.15749848%
La Palma	15,110	$100,000	0.11759532%
Los Alamitos	12,006	$100,000	0.11759532%
Mission Viejo	91,740	$140,200	0.16486850%
Newport Beach	82,654	$126,314	0.14853980%
Orange	139,724	$213,531	0.25110188%
Placentia	53,982	$100,000	0.11759532%
Rancho Santa Margarita	46,341	$100,000	0.11759532%
San Clemente	62,865	$100,000	0.11759532%
San Juan Capistrano	35,329	$100,000	0.11759532%
Santa Ana	315,325	$481,889	0.56667932%
Seal Beach	24,400	$100,000	0.11759532%
Stanton	40,552	$100,000	0.11759532%
Tustin	79,326	$121,228	0.14255896%
Villa Park	5,738	$100,000	0.11759532%
Westminster	90,295	$137,992	0.16227165%

2025-26 Enhancing Law Enforcement Activities Subaccount
Citizens' Option for Public Safety
Front-line Law Enforcement Allocation for 2025-26

City/County	City/County Population Estimates 1/1/2025	Projected Allocations by City/County	Percent of Allocation by City/County
Yorba Linda	66,267	$101,271	0.11909027%
Balance of County	133,033	$203,305	0.23907730%
Placer	**421,446**	**$927,171**	**1.09030949%**
Auburn	13,286	$100,000	0.11759532%
Colfax	1,996	$100,000	0.11759532%
Lincoln	54,520	$100,000	0.11759532%
Loomis	6,689	$100,000	0.11759532%
Rocklin	73,172	$111,824	0.13149943%
Roseville	158,494	$242,215	0.28483397%
Balance of County	113,289	$173,132	0.20359481%
Plumas	**18,885**	**$200,000**	**0.23519064%**
Portola	2,098	$100,000	0.11759532%
Balance of County	16,787	$100,000	0.11759532%
Riverside	**2,495,640**	**$4,599,559**	**5.40886644%**
Banning	31,949	$100,000	0.11759532%
Beaumont	59,708	$100,000	0.11759532%
Blythe	15,400	$100,000	0.11759532%
Calimesa	10,994	$100,000	0.11759532%
Canyon Lake	11,004	$100,000	0.11759532%
Cathedral City	51,651	$100,000	0.11759532%
Coachella	44,384	$100,000	0.11759532%
Corona	159,157	$243,229	0.28602547%
Desert Hot Springs	33,262	$100,000	0.11759532%
Eastvale	69,799	$106,669	0.12543772%
Hemet	91,934	$140,496	0.16521715%
Indian Wells	4,862	$100,000	0.11759532%
Indio	92,539	$141,421	0.16630441%
Jurupa Valley	105,928	$161,882	0.19036615%
Lake Elsinore	73,783	$112,757	0.13259748%
La Quinta	38,796	$100,000	0.11759532%
Menifee	115,316	$176,229	0.20723759%
Moreno Valley	210,823	$322,186	0.37887587%
Murrieta	111,789	$170,839	0.20089912%
Norco	25,221	$100,000	0.11759532%
Palm Desert	51,980	$100,000	0.11759532%
Palm Springs	44,476	$100,000	0.11759532%
Perris	81,240	$124,153	0.14599866%
Rancho Mirage	17,120	$100,000	0.11759532%
Riverside	320,337	$489,549	0.57568652%
San Jacinto	54,990	$100,000	0.11759532%
Temecula	112,220	$171,498	0.20167368%
Wildomar	37,077	$100,000	0.11759532%
Balance of County	417,901	$638,649	0.75102150%
Sacramento	**1,604,745**	**$2,611,378**	**3.07085881%**
Citrus Heights	86,280	$131,856	0.15505619%
Elk Grove	182,842	$279,425	0.32859044%
Folsom	92,577	$141,479	0.16637270%
Galt	26,092	$100,000	0.11759532%
Isleton	764	$100,000	0.11759532%
Rancho Cordova	85,451	$130,589	0.15356637%
Sacramento	527,979	$806,874	0.94884573%
Balance of County	602,760	$921,156	1.08323674%
San Benito	**66,822**	**$300,000**	**0.35278596%**
Hollister	43,492	$100,000	0.11759532%

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San Juan Bautista	2,078	$100,000	0.11759532%
Balance of County	21,252	$100,000	0.11759532%
San Bernardino	**2,207,424**	**$4,025,057**	**4.73327831%**
Adelanto	37,150	$100,000	0.11759532%
Apple Valley	75,262	$115,018	0.13525543%
Barstow	24,811	$100,000	0.11759532%
Big Bear Lake	4,953	$100,000	0.11759532%
Chino	95,206	$145,497	0.17109735%
Chino Hills	77,314	$118,154	0.13894314%
Colton	53,278	$100,000	0.11759532%
Fontana	219,172	$334,945	0.39388009%
Grand Terrace	12,803	$100,000	0.11759532%
Hesperia	101,792	$155,562	0.18293323%
Highland	57,088	$100,000	0.11759532%
Loma Linda	25,322	$100,000	0.11759532%
Montclair	37,526	$100,000	0.11759532%
Needles	4,791	$100,000	0.11759532%
Ontario	184,404	$281,812	0.33139755%
Rancho Cucamonga	175,992	$268,956	0.31628011%
Redlands	73,488	$112,307	0.13206733%
Rialto	105,565	$161,328	0.18971379%
San Bernardino	222,727	$340,378	0.40026888%
Twentynine Palms	24,257	$100,000	0.11759532%
Upland	79,140	$120,944	0.14222469%
Victorville	141,013	$215,500	0.25341838%
Yucaipa	54,838	$100,000	0.11759532%
Yucca Valley	22,027	$100,000	0.11759532%
Balance of County	297,505	$454,656	0.53465450%
San Diego	**3,330,139**	**$5,499,547**	**6.46720959%**
Carlsbad	116,368	$177,837	0.20912817%
Chula Vista	281,401	$430,046	0.50571356%
Coronado	22,610	$100,000	0.11759532%
Del Mar	3,950	$100,000	0.11759532%
El Cajon	104,932	$160,360	0.18857621%
Encinitas	61,956	$100,000	0.11759532%
Escondido	150,425	$229,884	0.27033295%
Imperial Beach	26,369	$100,000	0.11759532%
La Mesa	60,908	$100,000	0.11759532%
Lemon Grove	28,163	$100,000	0.11759532%
National City	58,965	$100,000	0.11759532%
Oceanside	174,340	$266,432	0.31331126%
Poway	50,379	$100,000	0.11759532%
San Diego	1,408,937	$2,153,181	2.53203983%
San Marcos	97,123	$148,426	0.17454244%
Santee	59,568	$100,000	0.11759532%
Solana Beach	12,986	$100,000	0.11759532%
Vista	101,599	$155,267	0.18258639%
Balance of County	509,160	$778,114	0.91502558%
San Francisco	**842,027**	**$1,286,812**	**1.51323012%**
San Joaquin	**805,856**	**$1,493,419**	**1.75619027%**
Escalon	7,232	$100,000	0.11759532%
Lathrop	38,596	$100,000	0.11759532%
Lodi	67,093	$102,534	0.12057469%
Manteca	93,733	$143,246	0.16845018%
Mountain House	28,795	$100,000	0.11759532%

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Ripon	15,753	$100,000	0.11759532%
Stockton	320,877	$490,374	0.57665697%
Tracy	98,215	$150,095	0.17650491%
Balance of County	135,562	$207,170	0.24362224%
San Luis Obispo	**279,337**	**$883,508**	**1.03896455%**
Arroyo Grande	17,910	$100,000	0.11759532%
Atascadero	30,134	$100,000	0.11759532%
El Paso de Robles	31,061	$100,000	0.11759532%
Grover Beach	12,411	$100,000	0.11759532%
Morro Bay	10,404	$100,000	0.11759532%
Pismo Beach	7,804	$100,000	0.11759532%
San Luis Obispo	49,534	$100,000	0.11759532%
Balance of County	120,079	$183,508	0.21579731%
San Mateo	**748,337**	**$2,340,960**	**2.75285972%**
Atherton	7,007	$100,000	0.11759532%
Belmont	28,206	$100,000	0.11759532%
Brisbane	4,676	$100,000	0.11759532%
Burlingame	31,552	$100,000	0.11759532%
Colma	1,411	$100,000	0.11759532%
Daly City	102,155	$156,116	0.18358559%
East Palo Alto	29,133	$100,000	0.11759532%
Foster City	32,658	$100,000	0.11759532%
Half Moon Bay	11,303	$100,000	0.11759532%
Hillsborough	11,254	$100,000	0.11759532%
Menlo Park	33,311	$100,000	0.11759532%
Millbrae	23,164	$100,000	0.11759532%
Pacifica	37,217	$100,000	0.11759532%
Portola Valley	4,285	$100,000	0.11759532%
Redwood City	82,073	$125,426	0.14749567%
San Bruno	42,631	$100,000	0.11759532%
San Carlos	29,535	$100,000	0.11759532%
San Mateo	104,315	$159,417	0.18746738%
South San Francisco	65,397	$100,000	0.11759532%
Woodside	5,206	$100,000	0.11759532%
Balance of County	61,848	$100,000	0.11759532%
Broadmoor Police Protection District	0	$100,000	0.11759532%
Santa Barbara	**447,132**	**$1,117,350**	**1.31395178%**
Buellton	5,091	$100,000	0.11759532%
Carpinteria	12,735	$100,000	0.11759532%
Goleta	32,747	$100,000	0.11759532%
Guadalupe	8,851	$100,000	0.11759532%
Lompoc	43,424	$100,000	0.11759532%
Santa Barbara	86,451	$132,117	0.15536349%
Santa Maria	112,208	$171,480	0.20165211%
Solvang	5,755	$100,000	0.11759532%
Balance of County	139,870	$213,754	0.25136426%
Santa Clara	**1,922,259**	**$3,348,184**	**3.93730807%**
Campbell	43,281	$100,000	0.11759532%
Cupertino	59,831	$100,000	0.11759532%
Gilroy	62,205	$100,000	0.11759532%
Los Altos	31,720	$100,000	0.11759532%
Los Altos Hills	8,548	$100,000	0.11759532%
Los Gatos	33,355	$100,000	0.11759532%
Milpitas	81,915	$125,185	0.14721172%
Monte Sereno	3,637	$100,000	0.11759532%

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Morgan Hill	46,599	$100,000	0.11759532%
Mountain View	86,513	$132,212	0.15547492%
Palo Alto	68,794	$105,133	0.12363161%
San Jose	979,415	$1,496,772	1.76013391%
Santa Clara	134,587	$205,680	0.24187004%
Saratoga	31,110	$100,000	0.11759532%
Sunnyvale	159,673	$244,017	0.28695278%
Balance of County	91,076	$139,185	0.16367521%
Santa Cruz	**263,710**	**$595,821**	**0.70065805%**
Capitola	9,670	$100,000	0.11759532%
Santa Cruz	62,972	$100,000	0.11759532%
Scotts Valley	11,831	$100,000	0.11759532%
Watsonville	51,101	$100,000	0.11759532%
Balance of County	128,136	$195,821	0.23027677%
Shasta	**180,201**	**$443,143**	**0.52111547%**
Anderson	10,967	$100,000	0.11759532%
Redding	93,534	$142,942	0.16809255%
Shasta Lake	10,133	$100,000	0.11759532%
Balance of County	65,567	$100,202	0.11783228%
Sierra	**3,170**	**$200,000**	**0.23519064%**
Loyalton	730	$100,000	0.11759532%
Balance of County	2,440	$100,000	0.11759532%
Siskiyou	**43,311**	**$1,100,000**	**1.29354852%**
Dorris	830	$100,000	0.11759532%
Dunsmuir	1,628	$100,000	0.11759532%
Etna	662	$100,000	0.11759532%
Fort Jones	663	$100,000	0.11759532%
Montague	1,195	$100,000	0.11759532%
Mount Shasta	3,179	$100,000	0.11759532%
Tulelake	851	$100,000	0.11759532%
Weed	2,716	$100,000	0.11759532%
Yreka	7,879	$100,000	0.11759532%
Balance of County	23,708	$100,000	0.11759532%
Lake Shastina Community Services Di	0	$100,000	0.11759532%
Solano	**449,839**	**$1,028,933**	**1.20997690%**
Benicia	26,195	$100,000	0.11759532%
Dixon	20,174	$100,000	0.11759532%
Fairfield	120,720	$184,488	0.21694927%
Rio Vista	10,338	$100,000	0.11759532%
Suisun City	29,036	$100,000	0.11759532%
Vacaville	103,181	$157,684	0.18542944%
Vallejo	122,207	$186,760	0.21962159%
Balance of County	17,988	$100,000	0.11759532%
Sonoma	**482,848**	**$1,272,610**	**1.49652972%**
Cloverdale	8,678	$100,000	0.11759532%
Cotati	7,290	$100,000	0.11759532%
Healdsburg	10,972	$100,000	0.11759532%
Petaluma	59,094	$100,000	0.11759532%
Rohnert Park	44,062	$100,000	0.11759532%
Santa Rosa	178,452	$272,716	0.32070105%
Sebastopol	7,367	$100,000	0.11759532%
Sonoma	10,507	$100,000	0.11759532%
Windsor	25,625	$100,000	0.11759532%

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Balance of County	130,801	$199,894	0.23506611%
Stanislaus	**555,765**	**$1,313,945**	**1.54513817%**
Ceres	49,305	$100,000	0.11759532%
Hughson	7,977	$100,000	0.11759532%
Modesto	219,765	$335,852	0.39494579%
Newman	12,389	$100,000	0.11759532%
Oakdale	23,231	$100,000	0.11759532%
Patterson	25,868	$100,000	0.11759532%
Riverbank	26,090	$100,000	0.11759532%
Turlock	72,219	$110,367	0.12978677%
Waterford	9,169	$100,000	0.11759532%
Balance of County	109,752	$167,726	0.19723837%
Sutter	**100,257**	**$307,668**	**0.36180368%**
Live Oak	9,658	$100,000	0.11759532%
Yuba City	70,453	$107,668	0.12661304%
Balance of County	20,146	$100,000	0.11759532%
Tehama	**64,827**	**$400,000**	**0.47038128%**
Corning	8,268	$100,000	0.11759532%
Red Bluff	14,466	$100,000	0.11759532%
Tehama	428	$100,000	0.11759532%
Balance of County	41,665	$100,000	0.11759532%
Trinity	**15,884**	**$100,000**	**0.11759532%**
Tulare	**487,209**	**$1,144,366**	**1.34572142%**
Dinuba	26,025	$100,000	0.11759532%
Exeter	10,233	$100,000	0.11759532%
Farmersville	10,392	$100,000	0.11759532%
Lindsay	12,725	$100,000	0.11759532%
Porterville	63,622	$100,000	0.11759532%
Tulare	73,002	$111,564	0.13119392%
Visalia	146,978	$224,616	0.26413825%
Woodlake	8,005	$100,000	0.11759532%
Balance of County	136,227	$208,186	0.24481733%
Tuolumne	**54,357**	**$200,000**	**0.23519064%**
Sonora	5,116	$100,000	0.11759532%
Balance of County	49,241	$100,000	0.11759532%
Ventura	**829,005**	**$1,595,987**	**1.87680656%**
Camarillo	68,927	$105,336	0.12387063%
Fillmore	17,035	$100,000	0.11759532%
Moorpark	34,754	$100,000	0.11759532%
Ojai	7,559	$100,000	0.11759532%
Oxnard	198,733	$303,710	0.35714860%
Port Hueneme	20,838	$100,000	0.11759532%
San Buenaventura	108,985	$166,554	0.19585997%
Santa Paula	31,658	$100,000	0.11759532%
Simi Valley	124,815	$190,746	0.22430850%
Thousand Oaks	122,468	$187,159	0.22009065%
Balance of County	93,233	$142,482	0.16755161%
Yolo	**225,433**	**$500,000**	**0.58797660%**
Davis	65,423	$100,000	0.11759532%
West Sacramento	55,403	$100,000	0.11759532%
Winters	8,021	$100,000	0.11759532%

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Woodland	61,623	$100,000	0.11759532%
Balance of County	34,963	$100,000	0.11759532%
Yuba	**85,023**	**$304,369**	**0.35792368%**
Marysville	12,717	$100,000	0.11759532%
Wheatland	4,012	$100,000	0.11759532%
Balance of County	68,294	$104,369	0.12273304%
CALIFORNIA TOTAL	**39,529,101**	**$85,037,400**	**100.00000000%**
CALIFORNIA CITY TOTAL	**33,188,202**	**$73,399,455**	**86.31432129%**

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Development Administration Prepared By: Pablo De Lara Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 10

SUBJECT: AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT (FILE NO. PDA25-003) BETWEEN THE CITY OF ONTARIO AND GDC INVESTMENTS 13, L.P.

RECOMMENDATION: That the City Council consider and adopt an Ordinance approving a Development Agreement (File No. PDA25-003) between the City of Ontario and GDC Investments 13 L.P.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: There is not a direct fiscal impact associated with this action. The Development Agreement will provide funding from the formation of a Community Facilities District (CFD) for City services and facilities required to support the Esperanza Specific Plan (Specific Plan) development, thereby mitigating the increased costs associated with such services. In addition, the City will receive development impact, compliance processing, licensing, and permitting fees. No General Fund revenue will be used to support the Ontario Ranch development.

BACKGROUND & ANALYSIS: On November 4, 2025, the City Council held a public hearing to introduce and waive further reading of an Ordinance Approving the Development Agreement (File No. PDA25-003).

The Ontario Ranch Financial commitments required for construction of properties within a specific plan are substantial. Therefore, to adequately forecast these costs and gain assurance that the project may proceed under the existing policies, rules, and regulations. GDC Investments 13, L.P. (collectively the "Applicant" or "Owner"), has requested that the City enter into negotiations to create a Development Agreement (Agreement).

The Agreement proposes to include 10.02 acres of land within Planning Area 11 of the Esperanza Specific Plan; as shown on the attached Exhibit A. The Agreement grants the Applicant a vested right to develop Tentative Tract Map 20730, for condominium purposes (see attached Exhibits B and C), provided that the Owner complies with the terms and conditions of the Specific Plan and related EIR. The Tentative Tract Map is located south of Chatham Street, west of Clifton Street, east of Amherst Avenue, and north of Eucalyptus Avenue and proposes to subdivide 10.02 acres into 28 numbered lots for a total of 161 condominium units and 15 lettered lots, for residential uses, private drives, landscape edges, and common open space purposes.

The term of the Agreement is for 10 years, with a 5-year option to renew. The main points of the Agreement address funding for all new City expenses created by the project, which includes Development Impact Fees (DIF) for construction of public improvements (i.e. streets and bridges, sewer, water, storm drain and fiber); and the creation of a Community Facilities District (CFD) for the maintenance of public facilities.

In considering the Agreement at their meeting on September 23, 2025, the Planning Commission found the Agreement to be consistent with State law, The Ontario Plan, and the City's Development Agreement policies. As a result, the Planning Commission adopted Resolution No. PC25-046 with a 5 to 1 vote, recommending City Council approval of the Agreement.

ENVIRONMENTAL REVIEW: The environmental impacts of the Project were reviewed in conjunction with The Ontario Plan 2050 Supplemental Environmental Impact Report (SCH No. 2021070364; certified by the City Council on August 16, 2022). An Addendum has been prepared in conjunction with the subject application for the proposed Development Agreement (File No. PDA25-003) and the associated Specific Plan Amendment (File No. PSPA24-004), the Tentative Tract Map (File No. PMTT24-008), and the Development Plan (File No. PDEV24-017) to determine possible environmental impacts. The Project will introduce no new significant environmental impacts beyond those previously analyzed in the Certified EIR, and all mitigation measures previously adopted by the Environmental Impact Report, are a condition of project approval and are incorporated in the Addendum.

EXHIBIT A:
ESPERANZA SPECIFIC PLAN

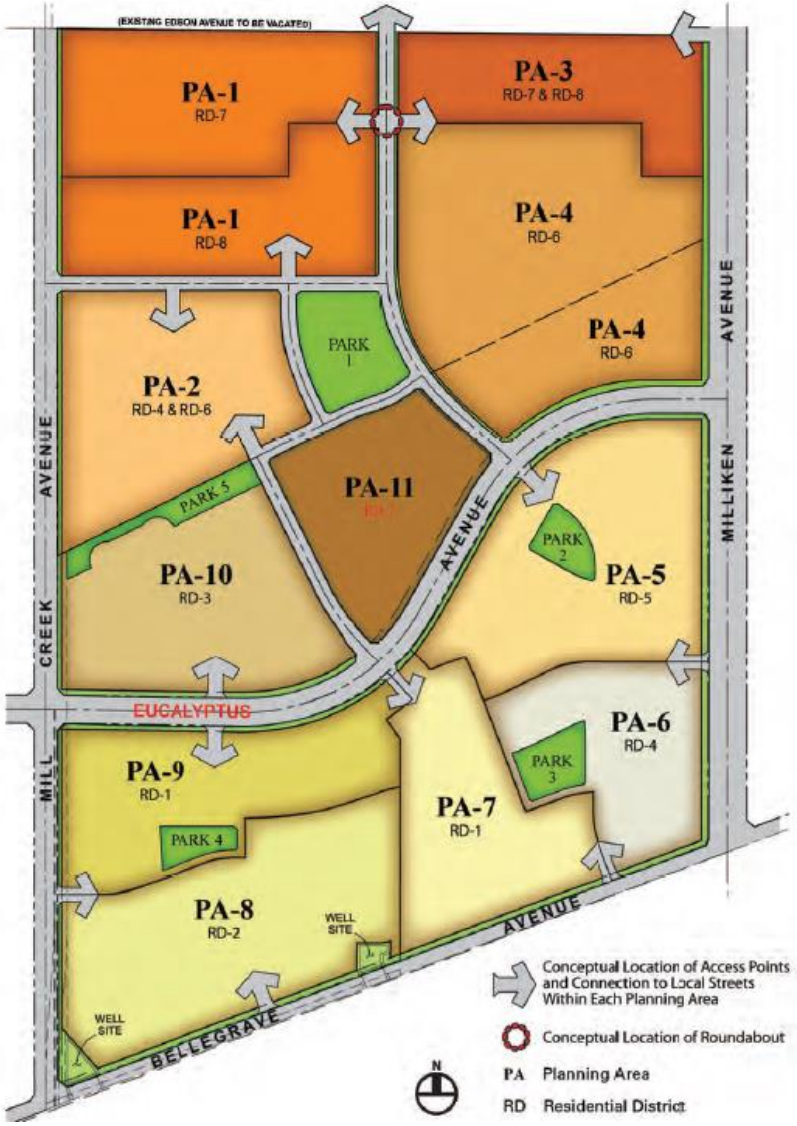


EXHIBIT B:
TENTATIVE TRACT MAP NO. 20730 FOR CONDOMINIUM PURPOSES

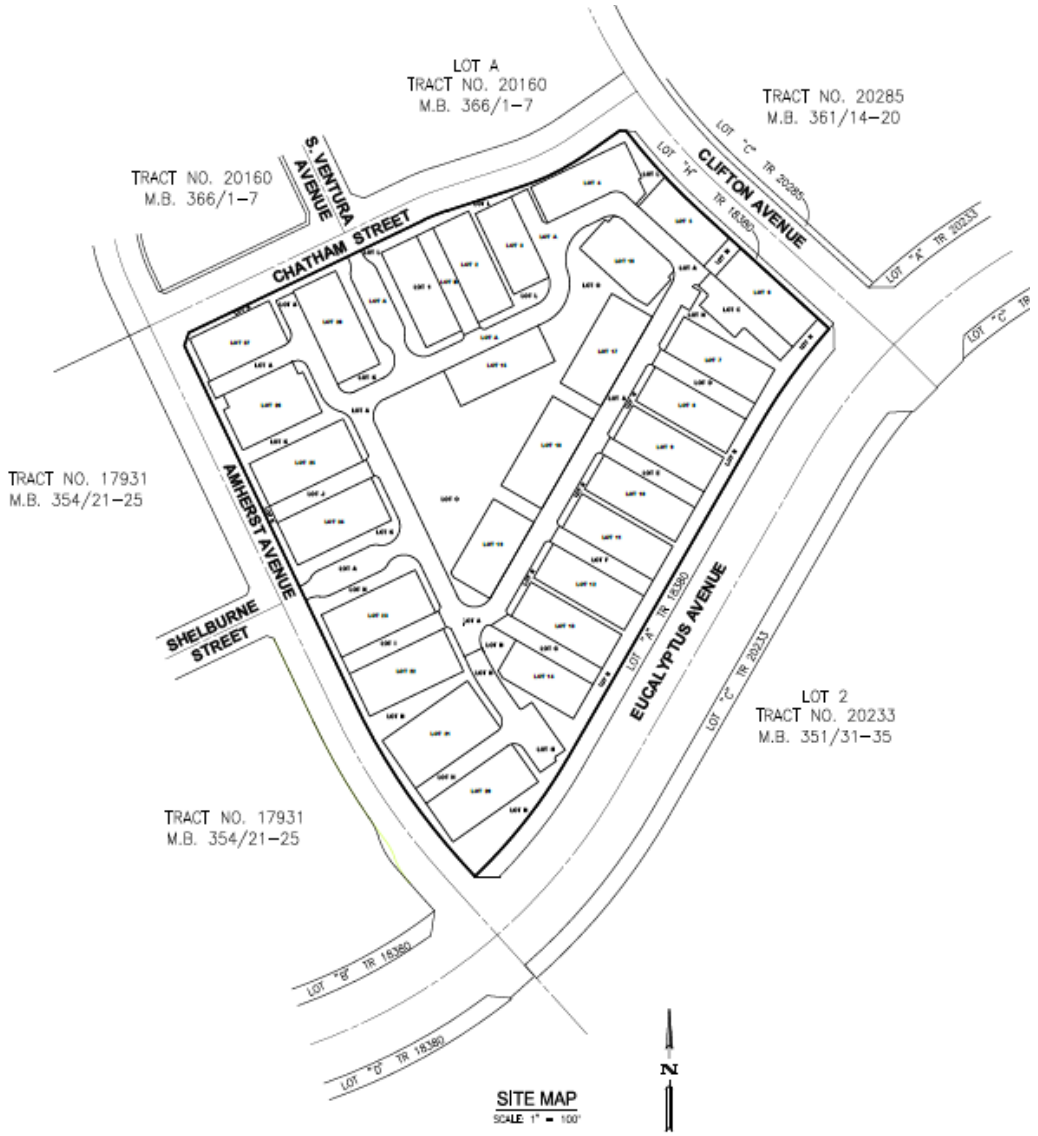


EXHIBIT C:
Conceptual Site Plan



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECOMMENDING CITY COUNCIL APPROVE FILE NO. PDA25-003, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND GDC INVESTMENTS 13, LP TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE TRACT MAP 20730 (FILE NO. PMTT24-008) LOCATED SOUTH OF CHATHAM STREET, WEST OF CLIFTON STREET, EAST OF AMHERST AVENUE, AND NORTH OF EUCALYPTUS AVENUE, WITHIN PLANNING AREA 11 (RD-7/ROW TOWNHOMES) OF THE ESPERANZA SPECIFIC PLAN (APN: 1073-101-05).

WHEREAS, GDC Investments 13, LP ("Applicant") has filed an Application for the approval of a Development Agreement, File No. PDA25-003, as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 10.02 acres of land located south of Chatham Street, west of Clifton Street, east of Amherst Avenue, and north of Eucalyptus Avenue, within Planning Area 11 (RD-7 / Row Townhomes) of the Esperanza Specific Plan; and

WHEREAS, the Applicant submitted Tentative Tract Map No. 20730 (File No. PMTT24-008), subdividing 10.02 acres of land acres into 28 numbered lots for a total of 161 condominium units and 15 lettered lots, for residential uses, private drives, landscape edges, and common open space purposes; and

WHEREAS, the environmental impacts of this Project were previously reviewed in conjunction with File No. PSPA24-004, a Specific Plan Amendment to the Esperanza Specific Plan along with the associated Tentative Tract Map (File No. PMTT24-008) and Development Plan (File No. PDEV24-017); and The Ontario Plan 2050 Supplemental Environmental Impact Report (SCH No. 2021070364; certified by the City Council on August 16, 2022). This Application introduces no new significant environmental impacts; and

WHEREAS, the City's "Local Guidelines for the Implementation of the California Environmental Quality Act (CEQA)" provide for the use of a single environmental assessment in situations where the impacts of subsequent projects are adequately analyzed; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the City Council the responsibility and authority to review and make recommendations to the City Council on the subject Application; and

WHEREAS, the Project has been reviewed for consistency with the Housing Element of the Policy Plan component of The Ontario Plan, as State Housing Element law (as prescribed in Government Code Sections 65580 through 65589.8) requires that development projects must be consistent with the Housing Element, if upon consideration of all its aspects, it is found to further the purposes, principals, goals, and policies of the Housing Element; and

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport, which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and is subject to, and must be consistent with, the policies and criteria set forth in the Ontario International Airport Land Use Compatibility Plan (hereinafter referred to as "ALUCP"), which applies only to jurisdictions within San Bernardino County, and addresses the noise, safety, airspace protection, and overflight impacts of current and future airport activity; and

WHEREAS, City of Ontario Development Code Division 2.03 (Public Hearings) prescribes the manner in which public notification shall be provided and hearing procedures to be followed, and all such notifications and procedures have been completed; and

WHEREAS, on September 23, 2025, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

WHEREAS, on October 21, 2025, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND RESOLVED by the City Council of the City of Ontario, as follows:

SECTION 1. As the recommending authority for the Project, the City Council has reviewed and considered the information contained in the previous Certified EIR and supporting documentation. Based upon the facts and information contained in the previous Certified EIR and supporting documentation, the City Council finds as follows:

(1) The administrative record has been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(2) The environmental impacts of the Project were reviewed in conjunction with an Addendum to The Ontario Plan 2050 Supplemental Environmental Impact Report (State Clearinghouse No. 2021070364), certified by the Ontario City Council on August 16, 2022, in conjunction with File No. PGPA20-002; and

(3) The EIR Addendum and administrative record have been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(4) The City's "Guidelines for the Implementation of the California Environmental Quality Act (CEQA)" provide for the use of a single environmental assessment in situations where the impacts of subsequent projects are adequately analyzed. This Application introduces no new significant environmental impacts; and

(5) All previously adopted mitigation measures shall be a condition of project approval, as they are applicable to the Project, and are incorporated herein by this reference; and

(6) The EIR Addendum contains a complete and accurate reporting of the environmental impacts associated with the Project, and reflects the independent judgment of the City Council; and

(7) There is no substantial evidence in the administrative record supporting a fair argument that the Project may result in significant environmental impacts.

SECTION 2. Based on the information presented to the City Council, and the specific findings set forth in Section 1, above, the City Council finds that the preparation of a subsequent or supplemental Certified EIR is not required for the Project, as the Project:

(1) Does not constitute substantial changes to the Certified EIR that will require major revisions to the Certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

(2) Does not constitute substantial changes with respect to the circumstances under which the Certified EIR was prepared, that will require major revisions to the Certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of the previously identified significant effects; and

(3) Does not contain new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the Certified EIR was certified/adopted, that shows any of the following:

(a) The project will have one or more significant effects not discussed in the Certified EIR; or

(b) Significant effects previously examined will be substantially more severe than shown in the Certified EIR; or

(c) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the City declined to adopt such measures; or

(d) Mitigation measures or alternatives considerably different from those analyzed in the Certified EIR would substantially reduce one or more significant effects on the environment, but which the City declined to adopt.

SECTION 3. Pursuant to the requirements of California Government Code Chapter 3, Article 10.6, commencing with Section 65580, as the recommending authority for the Project, the City Council finds that based on the facts and information contained in the Application and supporting documentation, at the time of Project implementation,

the project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan. The project site is not one of the properties in the Housing Element Sites contained in Tables B-1 and B-2 (Housing Element Sites Inventory) of the Housing Element Technical Report.

SECTION 4. The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan.

(1) On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan, establishing the Airport Influence Area for Ontario International Airport, which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future airport activity. As the recommending authority for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ONT ALUCP compatibility factors, including [1] Safety Criteria (ONT ALUCP Table 2-2) and Safety Zones (ONT ALUCP Map 2-2), [2] Noise Criteria (ONT ALUCP Table 2-3) and Noise Impact Zones (ONT ALUCP Map 2-3), [3] Airspace protection Zones (ONT ALUCP Map 2-4), and [4] Overflight Notification Zones (ONT ALUCP Map 2-5). As a result, the City Council, therefore, finds and determines that the Project, is will be consistent with the policies and criteria set forth within the ONT ALUCP; and

(2) On August 2, 2022, the City Council of the City of Ontario approved and adopted a Development Code Amendment to establish the Chino Airport ("CNO") Overlay Zoning District ("OZD") and Reference I, Chino Airport Land Use Compatibility Plan ("CNO ALUCP"). The CNO OZD and CNO ALUCP established the Airport Influence Area for Chino Airport, solely within the City of Ontario, and limits future land uses and development within the Airport Influence Area, as they relate to safety, airspace protection, and overflight impacts of current and future airport activity. The CNO ALUCP is consistent with policies and criteria set forth within the Caltrans 2011 California Airport Land Use Planning Handbook. The proposed Project is located within the Airport Influence Area of Chino Airport and was evaluated and found to be consistent with the California Airport Land Use Planning Handbook and the CNO ALUCP. As the recommending authority for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the CNO ALUCP compatibility factors, including Safety, Airspace Protection, Overflight. As a result, the City Council therefore, finds and determines that the Project is consistent with the policies and criteria set forth within the California Airport Land Use Planning Handbook and the Chino ALUCP.

SECTION 5. Based upon the substantial evidence presented to the City Council during the above-referenced hearing, and upon the specific findings set forth in Section 1 through 4, above, the City Council hereby concludes as follows:

(1) The Development Agreement applies to approximately 10.02 acres of land located south of Chatham Street, west of Clifton Avenue, east of Amherst Avenue, and north of Eucalyptus Avenue, within Planning Area 11 of the Esperanza Specific Plan; and

(2) The Development Agreement establishes parameters for the development of land within the Esperanza Specific Plan. The Development Agreement also grants the Applicant, the right to develop, the ability to quantify the fees; and establish the terms and conditions that apply to those projects. These terms and conditions are consistent with The Ontario Plan Policy Plan (General Plan), design guidelines and development standards for the Esperanza Specific Plan; and

(3) The Development Agreement grants the Applicant a vested right to develop Tentative Tract Map 20730 (File No. PMTT24-008) as long as the Applicant complies with the terms and conditions of the Esperanza Specific Plan and EIR. Tentative Tract Map 20730 located south of Chatham Street, west of Clifton Avenue, east of Amherst Avenue, and north of Eucalyptus Avenue and proposes to subdivide 10.02 acres into 28 numbered lots for a total of 161 condominium units and 15 lettered lots, for residential uses, private drives, landscape edges, and common open space purposes; and

(4) The Development Agreement has been prepared in conformance with the goals and policies of The Ontario Plan Policy Plan (General Plan); and

(5) The Development Agreement does not conflict with the Land Use Policies of The Ontario Plan Policy Plan (General Plan) and will provide for development, within the district, in a manner consistent with the Policy Plan and with related development; and

(6) This Development Agreement will promote the goals and objectives of the Land Use Element of the Policy Plan; and

(7) This Development Agreement will not be materially injurious or detrimental to the adjacent properties and will not have a significant impact on the environment or the surrounding properties for which a Subsequent Environmental Impact Report (SCH# 2004011009) was adopted by the City Council on November 21, 2023; and

(8) This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are a condition of project approval and are incorporated herein by this reference.

SECTION 6. Based upon the findings and conclusions set forth in Sections 1 through 5, above, the City Council hereby APPROVES the Development Agreement (File No. PDA24-004), attached hereto as "Attachment A," and incorporated herein by this reference.

SECTION 7. The City Council acknowledges that refinements and further development of the Ontario Ranch development area may demonstrate that changes are appropriate with respect to the details and performance of the parties under the Development Agreement. The City Council desires to retain a certain degree of flexibility

with respect to the details of the Ontario Ranch developments, and with respect to those items covered in general terms under the Development Agreement. If and when the City Manager (or designee) and the Developer mutually find that changes, adjustments, or clarifications are appropriate to further the intended purposes of the Development Agreement, and such are not materially inconsistent with the Development Agreement, they may, unless otherwise required by law, effectuate such changes, adjustments, or clarifications by written amendment to this Agreement, or through one or more memoranda which are mutually approved by the City Manager on behalf of the City and by the Developer, and, after execution, shall be attached to the Development Agreement and become a part thereof. Unless otherwise required by law, no such changes, adjustments, or clarifications shall require prior notice or hearing before the City Council. The City Manager, with the approval of the City Attorney, shall have the authority but not the obligation to execute amendments, memoranda or other documents, and may take any action necessary to implement the Development Agreement.

SECTION 8. The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void, or annul this approval. The City of Ontario shall promptly notify the applicant of any such claim, action, or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 9. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

SECTION 10. If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Ontario hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 11. This Ordinance shall become effective 30 days following its adoption.

SECTION 12. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within 15 days following the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 18th day of November 2025.

_____
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 Ordinance No. 3318 was duly introduced at a regular meeting of the City Council of the City of Ontario held November 4, 2025 and adopted at the regular meeting held November 18, 2025 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 3318 duly passed and adopted by the Ontario City Council at their regular meeting held November 18, 2025 and that Summaries of the Ordinance were published on November 11, 2025 and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

FILE NO. PDA25-003

DEVELOPMENT AGREEMENT

By and Between

City of Ontario
a California municipal corporation

and

GDC Investments 13, LP

(Development Agreement to follow this page)

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

CITY OF ONTARIO
CITY CLERK / RECORDS MANAGEMENT
303 EAST "B" STREET
ONTARIO, CA 91764-4196

Exempt from Fees Per Gov. Code § 6103

Space above this line for Recorder's Use Only

FILE NO. PDA25-003

DEVELOPMENT AGREEMENT

By and Between

City of Ontario
a California municipal corporation

and

GDC Investments 13, L.P.

_____, 2025

San Bernardino County, California

DEVELOPMENT AGREEMENT PDA25-003

This Development Agreement (hereinafter "Agreement") is entered into effective as of the ____ day of _____, 2025 by and among the City of Ontario, a California municipal corporation (hereinafter "CITY"), and GDC Investments 13, L.P., a Delaware limited partnership (hereinafter "OWNER"):

RECITALS

WHEREAS, CITY is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Section 65864, et seq. of the Government Code; and

WHEREAS, OWNER has requested CITY to enter into a development agreement and proceedings have been taken in accordance with the rules and regulations of CITY; and

WHEREAS, by electing to enter into this Agreement, CITY shall bind future City Councils of CITY by the obligations specified herein and limit the future exercise of certain governmental and proprietary powers of CITY; and

WHEREAS, the terms and conditions of this Agreement have undergone extensive review by CITY and the City Council and have been found to be fair, just and reasonable; and

WHEREAS, the best interests of the citizens of the CITY and the public health, safety and welfare will be served by entering into this Agreement; and

WHEREAS, all of the procedures of the California Environmental Quality Act have been met with respect to the Project and the Agreement in that Esperanza Specific Plan (State Clearinghouse No. 2021070364 (the "FEIR"). The City Council found and determined that the FEIR was prepared in accordance with the requirements of the California Environmental Quality Act and adequately describes the impacts of the project described in the FEIR, which included consideration of this Agreement; and

WHEREAS, this Agreement and the Project are consistent with the CITY's Comprehensive General Plan and the Esperanza Specific Plan; and

WHEREAS, all actions taken and approvals given by CITY have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings, findings, votes, and other procedural matters; and

WHEREAS, development of the Property in accordance with this Agreement will provide substantial benefits to CITY and will further important policies and goals of CITY; and

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary

improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864 et seq. of the Government Code are intended; and

WHEREAS, OWNER has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

WHEREAS, the Property is located in an area of the City of Ontario that has been known as the "New Model Colony" area and the New Model Colony area has now been renamed as "Ontario Ranch."

WHEREAS, the property developer/owners are made aware of the South Archibald Trichloroethylene (TCE) Plume Disclosure Letter (Exhibit "G"). Property owner may wish to provide the attached Letter as part of the Real Estate Transfer Disclosure requirements under California Civil Code Section 1102 et seq. This may include notifications in the Covenants, Conditions and Restrictions (CC&Rs) or other documents related to property transfer and disclosures. Additional information on the plume is available from the Santa Ana Regional Water Quality Control Board at http://geotracker.waterboards.ca.gov/profile_report.asp?global_id=T10000004658

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:

1.1.1 "Agreement" means this Development Agreement.

1.1.2 "CITY" means the City of Ontario, California, a California municipal corporation.

1.1.3 "Construction Agreement" means that certain Agreement for the Financing and Construction of Phases I and II Infrastructure Improvements to Serve an Easterly Portion of the New Model Colony, entered into between the CITY and NMC Builders as of the 4th day of October, 2005, and all amendments thereto and "Construction Agreement Amendment" means that First Amended and Restated Agreement for the Financing and Construction of Limited Infrastructure Improvements to Serve and Easterly Portion of the New Model Colony entered into between the CITY and NMC Builders as of the 21st day of August 2012.

1.1.4 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project

including, but not limited to: grading; the construction of public infrastructure and public facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; and the installation of landscaping. "Development" does not include the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.5 "Development Approvals" means all permits and other entitlements for use subject to approval or issuance by CITY in connection with development of the Property including, but not limited to:

(a) specific plans and specific plan amendments;

(b) tentative and final subdivision and parcel maps;

(c) development plan review;

(d) conditional use permits (including model home use permits), public use permits and plot plans;

(e) zoning;

(f) grading and building permits.

1.1.6 "Development Exaction" means any requirement of CITY in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.7 "Development Impact Fee" means a monetary exaction, other than a tax or special assessment, whether characterized as a fee or a tax and whether established for a broad class of projects by legislation of general applicability or imposed on a specific project on an ad hoc basis, that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project, and, for purposes of this Agreement only, includes fees collected under development agreements adopted pursuant to Article 2.5 of the Government Code (commencing with Section 65864) of Chapter 4, For purposes of this Agreement only, "Development Impact Fee" shall not include processing fees and charges imposed by CITY to cover the estimated actual costs to CITY of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued, including, without limitation, fees for zoning variances; zoning changes; use permits; building inspections; building permits; filing and processing applications and petitions filed with the local agency formation commission or conducting preliminary proceedings or proceedings under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5 of the Government Code; the processing of maps under the provisions of the Subdivision

Map Act, Division 2 (commencing with Section 66410) of Title 7 of the Government Code; or planning services under the authority of Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 of the Government Code, fees and charges as described in Sections 51287, 56383, 57004, 65104, 65456, 65863.7, 65909.5, 66013, 66014, and 66451.2 of the Government Code, Sections 17951, 19132.3, and 19852 of the Health and Safety Code, Section 41901 of the Public Resources Code, and Section 21671.5 of the Public Utilities Code, as such codes may be amended or superceded, including by amendment or replacement.

1.1.8 "Development Plan" means the Existing Development Approvals and the Existing Land Use Regulations applicable to development of the Property.

1.1.9 "Effective Date" means the date that the ordinance approving this Agreement goes into effect.

1.1.10 "Existing Development Approvals" means all Development Approvals approved or issued prior to the Effective Date. Existing Development Approvals includes the Approvals incorporated herein as Exhibit "C" and all other Approvals which are a matter of public record on the Effective Date.

1.1.11 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations includes the Regulations incorporated herein as Exhibit "D" and all other Land Use Regulations that are in effect and a matter of public record on the Effective Date.

1.1.12 "General Plan" means the General Plan adopted on August 16, 2022.

1.1.13 "Improvement" or "Improvements" means those public improvements required to support the development of the Project as described in the Tract Map conditions for Tract No. 20730 as further described in Exhibit "F" (the "Infrastructure Improvements Exhibit").

1.1.14 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of CITY governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, timing and phasing of development, the maximum height and size of buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the Property. "Land Use Regulations" does not include any CITY ordinance, resolution, code, rule, regulation or official policy, governing:

(a) the conduct of businesses, professions, and occupations;

(b) taxes and assessments;

(c) the control and abatement of nuisances;

(d) the granting of encroachment permits and the conveyance of similar rights and interests that provide for the use of or the entry upon public property;

(e) the exercise of the power of eminent domain.

1.1.15 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.16 "Net MDD" means net maximum daily water demand.

1.1.17 "NMC Builders" means the consortium of investors and developers responsible for the construction of infrastructure within the New Model Colony incorporated as NMC Builders, LLC.

1.1.18 "Model Units" means a maximum of 2 buildings comprising a total of 12 model units, private common recreation facilities and sales facilities constructed by OWNER prior to the construction of any Production units and not offered for sale and occupancy for a period of time after the issuance of permits for Production Units.

1.1.19 "OWNER" means the persons and entities listed as owner on page 1 of this Agreement and their permitted successors in interest to all or any part of the Property.

1.1.20 "Production Unit(s)" means all units constructed for sale and occupancy by OWNER and excludes the specified number of Model Units constructed by OWNER for promotion of sales.

1.1.21 "Project" means the development of the Property contemplated by the Development Plan, as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.22 "Property" means the real property described on Exhibit "A" and shown on Exhibit "B" to this Agreement.

1.1.23 "Reservations of Authority" means the rights and authority excepted from the assurances and rights provided to OWNER under this Agreement and reserved to CITY under Section 3.6 of this Agreement.

1.1.24 "Specific Plan" means that certain specific plan adopted by the City Council, and entitled, "Esperanza Specific Plan."

1.1.25 "Storm Water Treatment Capacity Availability" means a designated portion of the total Storm Water Treatment Capacity Availability made available through the completion of construction of a Phase of regional storm water treatment facilities by the NMC Builders LLC as described in the Construction Agreement Amendment. The amount, in acres, of Storm Water Treatment Capacity Availability required for the issuance of a grading permit shall be based upon the factors and assumptions listed in the Construction Agreement Amendment.

1.1.26 "Subsequent Development Approvals" means all Development Approvals required subsequent to the Effective Date in connection with development of the Property.

1.1.27 "Subsequent Land Use Regulations" means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.28 "Water Availability Equivalent (WAE)" means a designated portion of the total Net MDD made available through the construction of each Phase described in the Water Phasing Plan of the Construction Agreement. The number of Water Availability Equivalents (of portions thereof) required for the issuance of each building permit shall be based upon water demand factors and assumptions listed in the Construction Agreement and Construction Agreement Amendment as "Water Availability Equivalents by Land Use" for each land use category.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

Exhibit "A" — Legal Description of the Property.

Exhibit "B" — Map showing Property and its location.

Exhibit "C" — Existing Development Approvals.

Exhibit "D" — Existing Land Use Regulations.

Exhibit "E" — Description of Required Infrastructure Improvements

Exhibit "F" — Depiction of Required Infrastructure Improvements Exhibit

Exhibit "G" - Form of Plume Disclosure Letter

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out only in accordance with the terms of this Agreement.

2.2 Ownership of Property. OWNER represents and covenants that it is the owner of the fee simple title to the Property or a portion thereof, or has the right to acquire fee simple title to the Property or a portion thereof from the current owner(s) thereof. To the extent OWNER does not own fee simple title to the Property, OWNER shall obtain written consent from the current fee owner of the Property agreeing to the terms of this Agreement and the recordation thereof.

2.3 Term. The term of this Agreement shall commence on the Effective Date and shall continue for an initial term of ten (10) years thereafter unless this term is modified or extended pursuant to the provisions of this Agreement. The term of this

Agreement may be extended for an additional five (5) years following expiration of the initial ten (10) year term, provided the following have occurred:

(a) OWNER provides at least 180 days written notice to CITY prior to expiration of the initial term; and

(b) In non-mixed use and residential use only projects, the OWNER shall have obtained, as applicable, building permits for at least seventy percent (70%) of the actual number of residential units permitted under this Agreement; and

(c) OWNER is not then in uncured default of this Agreement.

2.4 Assignment.

2.4.1 Right to Assign. OWNER shall have the right to sell, transfer or assign the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq.), to any person, partnership, limited liability company, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such sale, transfer or assignment shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following:

(a) No sale, transfer or assignment of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or a part of the Property. OWNER may be required to provide disclosure that the Property is within the South Archibald Trichloroethylene (TCE) Plume. OWNER may wish to provide the attached Disclosure Letter (Exhibit G) as part of the Real Estate Transfer Disclosure requirements under California Civil Code Section 1102 et seq.

(b) Concurrent with any such sale, transfer or assignment, or within fifteen (15) business days thereafter, OWNER shall notify CITY's City Manager, in writing, of such sale, transfer or assignment and shall provide CITY with: (1) an executed agreement, in a form reasonably acceptable to CITY, by the purchaser, transferee or assignee and providing therein that the purchaser, transferee or assignee expressly and unconditionally assumes all the duties and obligations of OWNER under this Agreement with respect to the portion of the Property so sold, transferred or assigned; and (2) the payment of the applicable processing charge to cover the CITY's review and consideration of such sale, transfer or assignment.

(c) Any sale, transfer or assignment not made in strict compliance with the foregoing conditions shall constitute a default by OWNER under this Agreement. Notwithstanding the failure of any purchaser, transferee or assignee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this Agreement shall be binding upon such purchaser, transferee or assignee, but the benefits of this Agreement shall not inure to such purchaser, transferee or assignee until and unless such agreement is executed. The City Manager shall have the authority to

review, consider and either approve, conditionally approve, or deny any proposed sale, transfer or assignment that is not made in compliance with this section 2.4.

2.4.2 Release of Transferring Owner. Notwithstanding any sale, transfer or assignment, a transferring OWNER shall continue to be obligated under this Agreement unless such transferring owner is given a release in writing by CITY, which release shall be provided by CITY upon the full satisfaction by such transferring owner of the following conditions:

(a) OWNER no longer has a legal or equitable interest in all or any part of the portion of the Property sold, transferred or assigned.

(b) OWNER is not then in default under this Agreement.

(c) OWNER has provided CITY with the notice and executed agreement required under Paragraph (b) of Subsection 2.4.1 above.

(d) The purchaser, transferee or assignee provides CITY with security equivalent to any security previously provided by OWNER to secure performance of its obligations hereunder.

2.4.3 Effect of Assignment and Release of Obligations. In the event of a sale, transfer or assignment pursuant to the provisions of Section 2.4.2 above:

(a) The assignee shall be liable for the performance of all obligations of OWNER with respect to transferred property, but shall have no obligations with respect to the portions of the Property, if any, not transferred (the "Retained Property").

(b) The owner of the Retained Property shall be liable for the performance of all obligations of OWNER with respect to Retained Property, but shall have no further obligations with respect to the transferred property.

(c) The assignee's exercise, use and enjoyment of the Property or portion thereof shall be subject to the terms of this Agreement to the same extent as if the assignee were the OWNER.

2.4.4 Subsequent Assignment. Any subsequent sale, transfer or assignment after an initial sale, transfer or assignment shall be made only in accordance with and subject to the terms and conditions of this Section 2.4.

2.4.5 Termination of Agreement with Respect to Individual Lots Upon Sale to Public and Completion of Construction. The provisions of Subsection 2.4.1 shall not apply to the sale or lease (for a period longer than one year) of any lot which has been finally subdivided and is individually (and not in "bulk") sold or leased to a member of the public or other ultimate user. Notwithstanding any other provisions of this Agreement, this Agreement shall terminate with respect to any lot and such lot shall be released and no longer be subject to this Agreement without the execution or recordation of any further document upon satisfaction of both of the following conditions:

(a) The lot has been finally subdivided and individually (and not in "bulk") sold or leased (for a period longer than one year) to a member of the public or other ultimate user; and,

(b) A certificate of occupancy has been issued for a building on the lot, and the fees set forth under Section 4 of this Agreement have been paid.

2.4.6 Partial Assignment and Assumption. CITY and OWNER agree OWNER may partially assign its obligations and rights under this Agreement, and all amendments hereto, to a purchaser, transferee or assignee of a lot, which has been subdivided subject to provisions of a partial assignment and assumption agreement in a form approved by CITY. Any such complete and executed partial assignment and assumption of this Agreement shall be submitted to CITY for approval pursuant to Section 2.4.1 of this Agreement. CITY shall review, and if the above conditions, including but not limited to, those conditions in Section 2.4.2, are satisfied, CITY may approve the partial assignment and release and notify the purchaser, transferee or assignee in writing thereof. No such release approved pursuant to this Subsection 2.4.6 shall cause, or otherwise affect, a release of OWNER from the duties and obligations under this Agreement that are retained by OWNER and excluded from the transfer or assignment.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only in the manner provided for in Government Code Section 65868.1. Any amendment of this Agreement, which amendment has been requested by OWNER, shall be considered by the CITY only upon the payment of the applicable processing charge. This provision shall not limit any remedy of CITY or OWNER as provided by this Agreement. Either Party or successor in interest, may propose an amendment to or cancellation, in whole or in part, of this Agreement. Any amendment or cancellation shall be by mutual consent of the parties or their successors in interest except as provided otherwise in this Agreement or in Government Code Section 65865.1. For purposes of this section, the term "successor in interest" shall mean any person having a legal or equitable interest in the whole of the Property, or any portion thereof as to which such person wishes to amend or cancel this Agreement. The procedure for proposing and adopting an amendment to, or cancellation of, in whole or in part, this Agreement shall be the same as the procedure for adopting and entering into this Agreement in the first instance. Notwithstanding the foregoing sentence, if the CITY initiates the proposed amendment to, or cancellation of, in whole or in part, this Agreement, CITY shall first give notice to the OWNER of its intention to initiate such proceedings at least sixty (60) days in advance of the giving the public notice of intention to consider the amendment or cancellation.

2.5.1 Amendment to Reflect Consistency With Future Amendments to the Construction Agreement. To the extent any future amendment to the Construction Agreement provides for modifications to rights or obligations that differ from or alter the same or similar rights or obligations contained in this Development Agreement, OWNER reserves the right to request an amendment to the Development Agreement to reflect any or all of such modifications.

2.5.2 Minor Modification. Upon the written application of OWNER, minor modifications and changes to the Development Plan including modifications to building design or footprint (not affecting minimum setbacks), parking layout and design, and landscape area design may be approved by the Director of the Planning Department without the need to amend this Development Agreement. Other changes in the Development Plan shall be processed pursuant to the City Zoning Ordinance. It is also contemplated by CITY and OWNER that OWNER may, from time to time, seek amendments to one or more of the Development Approvals. Any such amendments are contemplated by CITY and OWNER as being within the scope of this Agreement as long as they are consistent with the Land Use Regulations and shall, upon approval by CITY, continue to constitute the Development Approvals as referenced herein. The parties agree that any such modifications or amendments shall not constitute an amendment to this Agreement nor require an amendment to this Agreement.

2.6 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(a) Expiration of the stated term of this Agreement as set forth in Section 2.3.

(b) Entry of a final judgment setting aside, voiding or annulling the adoption of the ordinance approving this Agreement.

(c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.

(d) Completion of the Project in accordance with the terms of this Agreement including issuance of all required occupancy permits and acceptance by CITY or applicable public agency of all required dedications.

Termination of this Agreement shall not constitute termination of any other land use entitlements approved for the Property. Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement. Upon such termination, any public facilities and services mitigation fees paid pursuant to Section 4.2 of this Agreement by OWNER to CITY for residential units on which construction has not yet begun shall be refunded to OWNER by CITY.

2.7 Notices.

(a) As used in this Agreement, “notice” includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either: (i) when delivered in person, including, without limitation, by courier, to the recipient named below; or (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below. All notices shall be addressed as follows:

If to CITY:
Scott Ochoa, City Manager
City of Ontario
303 East "B" Street
Ontario, CA 91764

with a copy to:
Ruben Duran, City Attorney
Best Best & Krieger, LLP
2855 E Guasti Road
Ontario, CA 91761

If to OWNER:
Dave Waters, Vice President
GDC Investments 13, L.P.
12770 El Camino Real, Suite 220
San Diego, CA 92130

with a copy to:
Dennis Moser, President
Moser Ventures Inc.
45478 Blackfoot Way
Indian Wells, CA 92210

(c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Agreement, the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, CITY shall exercise discretion in accordance with the same manner as it exercises its discretion under its police powers, including the Reservations of Authority set forth herein; provided

however, that such discretion shall not prevent development of the Property for the uses and to the density or intensity of development set forth in this Agreement.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Ca1. 3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment.

3.4 Requirement for Public Infrastructure Improvements. Development of the Property is contingent in part on the phasing of area-wide infrastructure improvements over which the OWNER has control. The issuance of building permits by CITY for Model Units and Production Units is, in general, contingent on OWNER's completion of needed infrastructure improvements and the availability of improvements and services to serve the Property.

3.4.1 Attached hereto as Exhibits "E" and "F" are a description and depiction, respectively, of the improvements needed for development of the Property. In the event of any discrepancy between Exhibit E and Exhibit F, Exhibit F shall control.

3.4.2 Subject to the prior submittal by OWNER and approval by CITY of a plan to provide sufficient public infrastructure for the construction of a maximum number of 2 buildings comprising a total of (12) Model Units, private common recreation facilities and sales facilities. CITY may issue a maximum of (5) building permits for Model Units, private common recreation facilities and sales facilities. The plan to be submitted by OWNER for CITY approval shall describe the utilities and other infrastructure necessary to provide sufficient fire protection and other public health and safety requirements for the Model Units and other facilities.

3.5 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development Approvals. In the event OWNER finds that a change in the Existing Development Approvals is necessary or appropriate, OWNER shall apply for a Subsequent Development Approval to effectuate such change and CITY shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be

incorporated herein as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section. Unless otherwise required by law, as determined in CITY's reasonable discretion, a change to the Existing Development Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

(a) Alter the permitted uses of the Property as a whole; or,

(b) Increase the density or intensity of use of the Property as a whole; or,

(c) Increase the maximum height and size of permitted buildings; or,

(d) Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or,

(e) Constitute a project requiring a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

3.6 Reservations of Authority.

3.6.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the CITY shall not be prevented from applying new rules, regulations and policies upon the OWNER, nor shall a development agreement prevent the CITY from denying or conditionally approving any subsequent development project application on the basis of such new rules, regulations and policies where the new rules, regulations and policies consist of the following:

(a) Processing fees by CITY to cover costs of processing applications for development approvals or for monitoring compliance with any development approvals;

(b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records and any other matter of procedure;

(c) Regulations, policies and rules governing engineering and construction standards and specifications applicable to public and private improvements, including all uniform codes adopted by the CITY and any local amendments to those codes adopted by the CITY; provided however that, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the standards and specifications that are expressly identified in the Specific Plan;

(d) Regulations that may conflict with this Agreement and the Development Plan but that are reasonably necessary to protect the residents of the project and/or of the immediate community from a condition perilous to their health or safety;

(e) Regulations that do not conflict with those rules, regulations and policies set forth in this Agreement or the Development Plan;

(f) Regulations that may conflict but to which the OWNER consents.

3.6.2 Subsequent Development Approvals. This Agreement shall not prevent CITY, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations that do not conflict with the Development Plan, nor shall this Agreement prevent CITY from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan.

3.6.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce. In the event OWNER alleges that such State or Federal laws or regulations preclude or prevent compliance with one or more provisions of this Agreement, and the CITY does not agree, the OWNER may, at its sole cost and expense, seek declaratory relief (or other similar non-monetary remedies); provided however, that nothing contained in this Section 3.6.3 shall impose on CITY any monetary liability for contesting such declaratory relief (or other similar non-monetary relief).

3.6.4 Intent. The parties acknowledge and agree that CITY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to CITY all of its police power which cannot be so limited. This Agreement shall be construed, contrary to its stated terms if necessary, to reserve to CITY all such power and authority which cannot be restricted by contract.

3.7 Public Works; Utilities. If OWNER is required by this Agreement to construct any public works facilities which will be dedicated to CITY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner and subject to the same requirements as would be applicable to CITY or such other public agency should it have undertaken such construction. As a condition of development approval, OWNER shall connect the

Project to all utilities necessary to provide adequate water, recycled water, sewer, gas, electric, and other utility service to the Project. As a further condition of development approval, OWNER shall contract with the CITY for CITY-owned or operated utilities for this purpose, for such price and on such terms as may be available to similarly situated customers in the CITY.

(INSERT Specific Infrastructure Development Requirements)

3.7.1 OWNER agrees that development of the Property shall require the construction of water and recycled water improvements as described in Exhibit E and depicted in Exhibit F. OWNER agrees that no building permits shall be issued by CITY for Production Units prior to completion of the water and recycled water improvements as described in Exhibit E and depicted in Exhibit F. OWNER also agrees that recycled water shall be available and utilized by OWNER for all construction-related water uses including prior to, and during, any grading of the Property.

3.7.2 OWNER agrees that development of the Property shall require the construction of sewer improvements, as described in the attached Exhibit E and depicted in Exhibit F. OWNER agrees that no building permits shall be issued by CITY for Production Units prior to completion of the sewer improvements, as described in Exhibit E and depicted in Exhibit F.

3.7.3OWNER agrees that development of the Property shall require the extension of fiber optic communications improvements as described in the attached Exhibit E and depicted in Exhibit F. OWNER agrees that no building permits shall be issued by CITY for Production Units prior to completion of the fiber optic communication improvements, as described in Exhibit E and depicted in Exhibit F.

3.8 Acquisition of Offsite Provision of Real Property Interests. In any instance where OWNER is required by any Development Approval or Land Use Regulation and the Construction Agreement to construct any public improvement on land not owned by OWNER ("Offsite Improvements"), the CITY and OWNER shall cooperate in acquiring the necessary legal interest ("Offsite Property") in accordance with the procedures set forth in Section 2.4 of the Construction Agreement. This section 3.8 is not intended by the parties to impose upon the OWNER an enforceable duty to acquire land or construct any public improvements on land not owned by OWNER, except to the extent that the OWNER elects to proceed with the development of the Project, and then only in accordance with valid conditions imposed by the CITY upon the development of the Project under the Subdivision Map Act or other legal authority.

3.8.1 CITY Acquisition of Non-Construction Agreement Offsite Property. In the event OWNER is required to construct any public improvements on land not owned by OWNER, but such requirement is not based upon the Construction Agreement, Sections 3.8.1 and 3.8.2 shall control the acquisition of the necessary property interest(s) ("Non-Construction Agreement Offsite Property").

If the OWNER is unable to acquire such Non-Construction Agreement Offsite Property, and following the written request from the OWNER to CITY, CITY agrees to use reasonable and diligent good faith efforts to acquire the Non-Construction Agreement Offsite Property from the owner or owners of record by negotiation to the extent permitted by law and consistent with this Agreement. If CITY is unable to acquire the Non-Construction Agreement Offsite Property by negotiation within thirty (30) days after OWNER'S written request, CITY shall, initiate proceedings utilizing its power of eminent domain to acquire that Non-Construction Agreement Subject Property at a public hearing noticed and conducted in accordance with California Code of Civil Procedure Section 1245.235 for the purpose of considering the adoption of a resolution of necessity concerning the Non-Construction Agreement Offsite Property, subject to the conditions set forth in this Section 3.8. The CITY and OWNER acknowledge that the timelines set forth in this Section 3.8.1 represent the maximum time periods which CITY and OWNER reasonably believe will be necessary to complete the acquisition of any Non-Construction Agreement Offsite Property. CITY agrees to use reasonable good faith efforts to complete the actions described within lesser time periods, to the extent that it is reasonably able to do so, consistent with the legal constraints imposed upon CITY.

3.8.2 Owner's Option to Terminate Proceedings. CITY shall provide written notice to OWNER no later than fifteen (15) days prior to making an offer to the owner of the Non-Construction Agreement Offsite Property. At any time within that fifteen (15) day period, OWNER may, at its option, notify CITY that it wants CITY to cease all acquisition proceedings with respect to that Non-Construction Agreement Offsite Property, whereupon CITY shall cease such proceedings. CITY shall provide written notice to OWNER no later than fifteen (15) days prior to the date of the hearing on CITY'S intent to consider the adoption of a resolution of necessity as to any Non-Construction Agreement Offsite Property. At any time within that fifteen (15) day period, OWNER may, at its option, notify CITY that it wants CITY to cease condemnation proceedings, whereupon CITY shall cease such proceedings. If OWNER does not notify CITY to cease condemnation proceedings within said fifteen (15) day period, then the CITY may proceed to consider and act upon the Non-Construction Agreement Offsite Property resolution of necessity. If CITY adopts such resolution of necessity, then CITY shall diligently institute condemnation proceedings and file a complaint in condemnation and seek an order of immediate possession with respect to the Non-Construction Agreement Offsite Property.

3.9 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of CITY possess authority to regulate aspects of the development of the Property separately from or jointly with CITY and this Agreement does not limit the authority of such other public agencies. CITY agrees to cooperate fully, at no cost to CITY, with OWNER in obtaining any required permits or compliance with the regulations of other public agencies provided such cooperation is not in conflict with any laws, regulations or policies of the CITY.

3.10 Tentative Tract Maps; Extension. With respect to applications by OWNER for tentative subdivision maps for portions of the Property, CITY agrees that OWNER may file and process tentative maps in accordance with Chapter 4.5 (commencing with Section 66498.1) of Division 2 of Title 7 of the California Government Code and the applicable provisions of CITY's subdivision ordinance, as the same may be amended from time to time. In accordance with the provisions of Section 66452.6 of the Government Code, each tentative subdivision map or tentative parcel map, heretofore or hereafter approved in connection with development of the Property, shall be deemed to have been granted an extension of time to and until the date that is five (5) years following the Effective Date of this Agreement.; The CITY's City Council may, in its discretion, extend any such map for an additional period of up to five (5) years beyond its original term, so long as the subdivider files a written request for an extension with the City prior to the expiration of the initial five (5) year term.

4. PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will result in substantial public needs that will not be fully met by the Development Plan and further acknowledge and agree that this Agreement confers substantial private benefits on OWNER that should be balanced by commensurate public benefits. Accordingly, the parties intend to provide consideration to the public to balance the private benefits conferred on OWNER by providing more fully for the satisfaction of the public needs resulting from the Project.

4.2 Development Impact Fees.

4.2.1 Amount of Development Impact Fee. Development Impact Fees (DIF) shall be paid by OWNER. The Development Impact Fee amounts to be paid by OWNER shall be the amounts that are in effect at the time such amounts are due. Nothing contained in this Agreement shall affect the ability of the CITY to impose new Development Impact Fees or amend the amounts of existing Development Impact Fees. Additionally, nothing contained in this Agreement shall affect the ability of other public agencies that are not controlled by CITY to impose and amend, from time to time, Development Impact Fees established or imposed by such other public agencies, even though such Development Impact Fees may be collected by CITY.

4.2.2 Time of Payment. The Development Impact Fees required pursuant to Subsection 4.2.1 shall be paid to CITY prior to the issuance of building permit for each applicable residential or other unit, except for the Open Space and Habitat Acquisition Development Impact fee, which shall be paid by OWNER to CITY prior to the issuance of a grading permit. Deferrals of the payment of Development Impact Fees may be granted pursuant to a separate agreement approved by City pursuant to City policy. Any existing Development Impact Fee (DIF) credits held by the Owner or any affiliated entity shall be applied toward the payment of DIFs as required under Subsection 4.2.1

4.2.3 Parkland and Quimby Act Fees. Pursuant to the General Plan (Ontario Plan) Goal PR1, Policy PR1-5 (achievement of a park standard of 5 acres of parkland per 1,000 residents) OWNER shall provide improved parks, developed in accordance with the City's park standards in an amount equal to two (2) acres per 1,000 of projected population without credit, reimbursement, offset or consideration from City. Such areas shall either be dedicated to the City or transferred to a homeowners' association. If approved by the City Manager, OWNER may satisfy this requirement through the development of non-public recreation facilities such as private recreational clubhouses or pool facilities. Credit for such private recreational facilities areas shall be limited to a maximum of 50% of the foregoing park development requirement. If OWNER's Project does not provide dedicated and developed park acreage equal to two (2) acres per 1,000 projected population, OWNER shall pay a fee in-lieu equal to the per acre estimated costs of acquisition and development of parkland in the City's Development Impact Fee for the calculated park acreage deficiency. Such in-lieu fee shall be due and payable prior to the issuance of the first building permit for Production Units issued to OWNER. Any park dedication and/or improvements in excess of such two (2) acres per thousand standard, provided such park has been developed in accordance with the City's park standards and is open to the public generally, shall entitle OWNER to a credit toward its obligations under the Quimby Act (Gov. Code, § 64477) and the City's implementing ordinance and/or resolution (collectively "**Quimby Act Obligations**"), and to the extent OWNER's Quimby Act Obligations are satisfied, OWNER shall be entitled to have the City acquire such developed and publicly available parks as Non-Program Interests in accordance with Section 4.3.3 below. **(Other provisions will be added that are Project-specific, if applicable).**

4.3 Responsibility for Construction of Public Improvements.

4.3.1 Timely Construction of Public Infrastructure. The phasing of the areawide infrastructure construction within Ontario Ranch will be as approved by the CITY. OWNER shall be responsible for the timely construction and completion of all public infrastructure required for the Project as shown on the attached Exhibit "F" and any and all tentative tract map conditions. Unless otherwise specified in the Subdivision Agreement/Tract Map conditions, all other required Improvements for each Tract Map, shall be completed and operational prior to, and as a condition precedent to, OWNER requesting and CITY's granting of the first building permit for Production Units for each such Tract Map. All Infrastructure and Improvements shall be completed as required by the Subdivision Agreement/Tract Map conditions for Tract No. 20730.

4.3.2 Construction of DIF Program Infrastructure (Construction Agreement). To the extent OWNER is required to construct and completes construction of public improvements that are included in CITY's Development Impact Fee Program and the Construction Agreement between CITY and NMC Builders LLC, CITY agrees that CITY shall issue DIF Credit in accordance with the provisions of the Construction Agreement and any amendments thereto. Use of DIF Credit issued

to OWNER as a member of NMC Builders LLC to offset OWNER's DIF payment obligations shall also be subject to the provisions of the Construction Agreement and any amendments thereto.

4.3.3 Construction of DIF Program Infrastructure (Non-Construction Agreement). To the extent OWNER is required to construct and completes construction of public improvements that are included in CITY's Development Impact Fee Program and such public improvements are not included the Construction Agreement between CITY and NMC Builders LLC, CITY agrees that CITY shall issue DIF Credit in accordance with the provisions of a separate Fee Credit Agreement between CITY and OWNER. Limitation on the use of DIF Credit issued to OWNER to offset OWNER's DIF payment obligations shall also be subject to the provisions of a separate Fee Credit Agreement. CITY and OWNER agree that the Fee Credit Agreement between CITY and OWNER shall comply with CITY's adopted policies applicable to such agreements.

4.4 Affordable Housing Requirement.

4.4.1 Affordable Housing- Number of Units. OWNER shall provide a minimum number of affordable housing units, equivalent to 10% of the OWNER's total approved residential units within the Project, that are affordable to very low, low- and moderate-income households. Such requirement for affordable housing shall be met through one, or a combination of one or more, of the options provided in the following Sections 4.4.2.1 through 4.4.2.5. For the purposes of this Section, any term not defined in this Agreement shall be as defined by California Community Redevelopment Law (California Health and Safety Code Section 33000 et seq.).

4.4.2 Affordability Spread. Of the total number of residential dwelling units specified in Section 4.4.1, to be constructed or rehabilitated pursuant to Sections 4.4.2.1 or 4.4.2.2 respectively, thirty percent (30%) shall be available to very low income, thirty percent (30%) shall be available to low income and forty percent (40%) shall be available to moderate income households. "**Households**" shall be as defined by California Health and Safety Code Section 50053.

4.4.2.1 New Construction. If OWNER elects to fully or partially satisfy the affordable housing requirement by the construction of new residential units, it shall construct and restrict the affordability of residential dwelling units within its Project or, at OWNER's option and with the approval of the City, within another project elsewhere within the City. The affordable units constructed shall be intermingled with other units as part of the Project, and shall be built to the same construction, design and aesthetic standards, as well as number of rooms, as other units constructed as part of that OWNER's Project. In addition, the percentage ratio of affordable units offered for sale versus those offered for rent shall equal the percentage ratio of other units offered for sale versus for rent within OWNER's Project.

Such construction shall be completed no later than the date that is five (5) years following the issuance of the first building permit for OWNER's Project; provided however that to the extent OWNER has not constructed the required percentage of units, based on the number of building permits for non-restricted units, OWNER shall, prior to the issuance of such building permits, provide security (in the form and substance approved by the City Manager and City Attorney) to City in order to ensure the faithful completion of such required percentage of construction of affordable units. If OWNER elects the option of constructing new affordable units, a detailed Affordable Housing Agreement specifying terms for the allowable monthly housing costs or rents (as applicable) and maintenance and occupancy standards shall be prepared, executed and recorded against such units as a condition to the issuance of a building permit. The Affordable Housing Agreement shall hold a recorded priority position senior to any other non-statutory lien or encumbrance affecting the unit.

4.4.2.2 Rehabilitation. If OWNER elects to fully or partially satisfy the affordable housing requirement by the substantial rehabilitation of existing residential units in the City, it shall substantially rehabilitate and restrict the affordability of, the number of residential units specified in Section 4.4.1, provided that such units shall be provided elsewhere within the City. The rehabilitation work shall be substantial and of high quality and shall also address any deferred property maintenance issues on the property. "**Substantial rehabilitation**" shall mean rehabilitated multi-family rented dwelling units with three or more units and the value of the rehabilitation constitutes 25 percent of the after rehabilitation value of the dwelling, inclusive of land value pursuant to Health and Safety Code Section 33413(b)(2)(A)(iii-iv) as such section exists as of the Effective Date of this Agreement. If OWNER chooses the option of rehabilitation of existing housing units within the City, a detailed Affordable Housing Agreement specifying the terms for the allowable month housing costs or rents (as applicable) and maintenance and occupancy standards shall be prepared, executed and recorded against such units as a condition to the issuance of a building permit. Such rehabilitation shall be completed no later than the date that is five (5) years following the issuance of the first building permit for OWNER's Project; provided however that to the extent OWNER has not rehabilitated the required percentage of units, based on the number of building permits, OWNER shall, prior to the issuance of such building permits, provide security (in the form and substance approved by the City Manager and City Attorney) to the City in order to ensure the faithful completion of such required percentage of rehabilitation.

4.4.2.3 In-Lieu Fee. If OWNER has not fully complied with the requirements of Section 4.4.1 by providing the minimum number of affordable units through the construction of new affordable units or by the substantial rehabilitation of existing units, shall pay an "**Affordability In-Lieu Fee**". If OWNER has not provided any affordable residential units by

construction or rehabilitation, the Affordability In-Lieu fee shall be equal to Three Dollars Forty-Six Cents ($3.46) per square foot of residential development within OWNER's Project or, if pre-paid as set forth below, Three Dollars and Four Cents ($3.04) per square foot of residential development within OWNER's Project. If OWNER has partially complied with the requirements of Section 4.4.1 by construction or rehabilitation of less than the minimum number of units, then the Affordability In-lieu Fee shall be recalculated and reduced in consideration of the number and type of affordable units provided. The Affordability In-Lieu Fee shall be paid by OWNER to City no later than prior to the issuance of each building permit within OWNER's Project based on the square footage of the residential unit for which such building permit is sought; provided however that OWNER may, at OWNER's election, pre-pay such Affordability In-Lieu Fee by paying such Affordability In-Lieu Fee within thirty (30) days following the earliest discretionary approval by the City for OWNER's Project, including, but not limited to, any general plan amendment, specific plan adoption, development agreement, tentative map approval, variance, conditional use permit, or resolution of intention to form any public financing mechanism. The Three Dollars Forty-Six Cents ($3.46) and Three Dollars and Four Cents ($3.04) per square foot amounts shall automatically be increased annually, commencing on July 1, 2025, and automatically each July 1 thereafter. Such adjustment shall be based on the percentage increase (but no decrease) in the Consumer Price Index (Riverside - San Bernardino - Ontario, CA), (December 2017=100) over the preceding year. The pre-paid Affordability In-Lieu Fee shall be calculated based on the maximum floor area ratio (FAR) permitted within the General Plan and any applicable FAR contained within the applicable specific plan, whichever is greater, and the Maximum Development Density. For purposes of this Agreement, "**Maximum Development Density**" shall be determined by multiplying the OWNER's Project's density for residential development potential as set forth in the General Plan or the applicable Specific Plan, whichever is less, by the net acreage of land within OWNER's Project. All "Affordability In-Lieu Fees" collected by the City shall be used to promote the construction of affordable housing within the City.

4.4.2.4 Affordability Covenants. Prior to the issuance of the first building permit for any affordable unit, the CITY and OWNER shall enter into an Affordable Housing Agreement Affordability shall be assured for a period of forty-five (45) years for for-sale units and fifty-five (55) years for rentals. For rental units, base rents shall be established by the CITY and rental adjustments required by the CITY shall be performed on an annual basis. In addition, the Affordable Housing Agreement shall impose maximum occupancy limits of two (2) occupants per bedroom plus one (1) additional occupant per dwelling unit, and a requirement for the owner or tenant to properly maintain each dwelling unit.

4.4.2.5 Transfer of Affordable Project. No transfer of title to any affordable

housing project shall occur without the prior written consent of the CITY. In the event OWNER transfers title to any affordable housing project required to be constructed pursuant to this Agreement to a non-profit entity, or other entity, that receives an exemption from ad valorem real property taxes, the CITY shall be required to assure payment of an annual in lieu fee to the CITY on July 1 of each year equal to one-tenth of one percent (0.1%) of the assessed value of such project. The CITY may permit OWNER to satisfy this obligation by recorded covenants against the property and enforceable against said entity by the CITY. Any such covenants shall be approved by the Planning Director and the City Attorney.

4.5 Schools Obligations.

4.5.1 Written Evidence of Compliance with Schools Obligations.
OWNER shall, either through joint or individual agreements between OWNER and the applicable school district(s), shall satisfy its new school obligations. The new school obligations for the Mountain View School District in the Ontario Ranch area have been projected to include the acquisition or dedication of school sites for, and construction of, up to eight (8) schools. Of these eight (8) schools, six (6) are to be elementary (K-5) grade schools and two (2) are to be middle grade schools. The new school obligations for the Chaffey Joint Union High School District in the Ontario Ranch area have been projected to include the dedication of a school site for, and construction of, an additional high school. The new school obligations for the applicable school district shall be met by a combination of the following: (1) designating and dedicating school site(s) within the Property as set forth in the General Plan, and/or (2) paying school impact fees, (3) entering into a joint mitigation agreement or individual mitigation agreements, or (4) any combination of the foregoing. Written evidence of approval by the applicable school district that OWNER has met their school obligations may be required by the City as the condition to the issuance by the City of any entitlements for OWNER's Project. In the event OWNER is unable to provide such written evidence from the applicable school district(s), the City shall have the right to decline to honor any DIF Credit, Certificates of MDD Availability, Certificates of Storm Water Treatment Capacity Availability, or any combination thereof, presented by such OWNER, without liability to the City. To the extent that a joint mitigation agreement is approved by the applicable school district(s), and OWNER is a participant in good standing in such mitigation agreement, OWNER shall be deemed to have mitigated its new school obligations under this Section 4.4.1.

4.6 Net MDD/Water Availability Equivalents.

4.6.1 Assigned Net MDD/Water Availability Equivalents. The City has agreed with NMC Builders LLC to reserve exclusively for Members of NMC Builders, including OWNER, Net MDD made available through the construction of water system improvements funded by NMC Builders LLC. NMC Builders has assigned to OWNER its allocable share of the Net MDD issued by City. The

provisions of the Construction Agreement Amendment requires that the City shall not approval a final tract map or issue building permits or certificates of occupancy for the area of development within the New Model Colony served by the water system improvements funded by NMC Builders LLC, except to the bearer of an Assignment of Net MDD Water Availability.

4.6.2 Use of Assigned Net MDD Water Availability. OWNER shall provide evidence of sufficient Net MDD Water Availability Equivalents (or portions thereof) prior to and as a condition precedent to, the City's approval of any and all tract maps for the Property. The amount of Net MDD Water Availability Equivalents required for City's approval of a tract map shall be based upon water demand factors and assumptions listed in Exhibit C-2R of the Construction Agreement Amendment as "Water Demand Equivalents by Land Use" for each land use category.

4.6.3 Requirement for other Water System Improvements. A Certificate of Net MDD Availability is evidence only of available water capacity and does not satisfy any other conditions applicable to an OWNER's Project, including those relating to design and construction of master-planned potable water and recycled water transmission and distribution system for the respective pressure zone and other public infrastructure requirements.

4.6.4 Effectiveness of Agreement. Notwithstanding anything set forth in this Agreement, CITY and OWNER each acknowledge, confirm, and agree that (i) the CITY approval of this Agreement and (ii) the effectiveness of this Agreement, in each case, are conditioned upon OWNER's admission to NMC Builders as a "Member" (if not already a Member) thereof pursuant to the terms and conditions of the operating agreement of NMC Builders within thirty (30) days following the Effective Date of this Agreement. OWNER'S failure to maintain membership in NMC Builders LLC is and shall be a Default under this Agreement

4.7 Storm Water Capacity Availability.

4.7.1 Requirement for Storm Water Treatment Capacity Availability. OWNER shall provide evidence of sufficient Storm Water Treatment Capacity Availability as reserved in a Certificate of Storm Water Treatment Capacity Availability the same manner and subject to the same limitations as provided for the assignment of Certificates of Net MDD Availability in Section 4.7 of this Agreement.

4.7.2 Use of Storm Water Treatment Capacity Availability. The amount of Storm Water Treatment Capacity Availability required for the issuance of a grading permit to OWNER shall be based upon the Net Residential Acreage of the area to be graded regardless of the corresponding use.

4.7.3 Requirement for other Storm Water Improvements. The Certificate of Storm Water Treatment Capacity Availability is evidence only of available storm water treatment capacity and does not satisfy any other conditions applicable to

a particular development project, including those relating to on-site water treatment, water quality, connection to the storm water collection system, or other public infrastructure requirements.

4.8 Maintenance of Open Space. OWNER shall provide for the ongoing maintenance of all park, common areas and open space areas within the Project as more particularly set forth in the Specific Plan, through a homeowners' association as approved by the CITY. Covenants, conditions and restrictions establishing any homeowners' association shall be approved by the Planning Director and City Attorney.

4.9 Compliance with Public Benefits Requirements.

4.10.1 Failure to Provide Public Benefits. In the event OWNER fails or refuses to comply with any condition referenced in Section 4.1 through 4.10, or challenges (whether administratively or through legal proceedings) the imposition of such conditions, OWNER shall be deemed in default of this Agreement pursuant to Section 8.4 hereof, thereby entitling the City to any and all remedies available to it, including, without limitation, the right of the City to withhold OWNER's Project-related building permits, certificates of occupancy, or discretionary approvals, without liability.

5. FINANCING OF PUBLIC IMPROVEMENTS.

5.1 Financing Mechanism(s). In accordance with the Memorandum of Agreement between the CITY and NMC Builders, CITY will cooperate with OWNER in the formation of a CFD, or CFDs, to include all of the Project, to provide a financing mechanism to reimburse the OWNER for funds paid to NMC Builders LLC for OWNER's share of the costs of public infrastructure pursuant to the Construction Agreement and to acquire other public facilities constructed by OWNER subject to the provisions of the Memorandum of Agreement between CITY and NMC Builders LLC. Notwithstanding such reimbursements and acquisitions, OWNER shall remain entitled to DIF Credits as provided for in Article 3 of the Construction Agreement and/or as provided for in a separate Fee Credit Agreement between CITY and OWNER. OWNER agrees that, prior to the recordation of any Tract Map for the Property, the Property shall be included in a CFD to finance City services through annual special taxes that will initially be $1,426.38 per Single Family Detached Dwelling Unit, $1,236.46 per Multiple-Family Dwelling Unit, $1,036.38 per Gated Apartment Community Dwelling Unit, and $.26 per square foot for Non-Residential buildings. These amounts shall be subject to an automatic increase at a rate not to exceed four (4%) percent per year, unless otherwise modified by the CITY. CITY shall be the sole and exclusive lead agency in the formation of any CFD, assessment district or other public financing mechanism within the Property; provided however, that the proceeds of any such CFD, assessment district, or financing mechanism may be used, subject to restrictions that may be imposed by applicable law, for the purposes of acquiring, constructing or maintaining public facilities to be owned or operated by other public agencies, including, without

limitation those facilities owned or operated by a school district. In addition to the rights of the CITY pursuant to section 5.2 hereof, CITY shall have the right, but not the obligation, to condition the formation of any CFD, assessment district or other public financing mechanism within the Property on the OWNER mitigating all Project-related impacts to the applicable school district(s) as required by such school district(s). Written evidence by such school district(s) may be required by the CITY as the condition to the formation of any CFD, assessment district or other public financing mechanism within the Property, or any steps preliminary thereto, including, without limitation, the adoption of any resolution of intention to form such CFD, assessment district or other public financing mechanism within the Property. It is not the intent of the parties hereto, by this provision, to prohibit or otherwise limit the City's ability to take any and all necessary steps requisite to the formation of the CFD to finance City services through annual special taxes as set forth in this Section 5.1. Formation of any CFD, assessment district or other public financing mechanism within the Property, shall be subject to CITY's ability to make all findings required by applicable law and complying with all applicable legal procedures and requirements including, without limitation, CITY's public financing district policies as such policies may be amended from time to time. Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring CITY or the City Council to form any such district or to issue and sell bonds.

6. REVIEW FOR COMPLIANCE.

6.1 Periodic and Special Reviews.

6.1.1 Time for and Initiation of Periodic Review. The CITY shall review this Agreement every twelve (12) months from the Effective Date in order to ascertain the good faith compliance by the OWNER with the terms of this Agreement. The OWNER shall submit an Annual Monitoring Report to CITY, in a form acceptable to the City Manager, along with any applicable processing charge within ten (10) days after each anniversary date of the Effective Date of this Agreement. Within fifteen (15) days after the receipt of the Annual Monitoring Report, CITY shall review the Annual Monitoring Report. Prior to the expiration of the fifteen (15) day review period, CITY shall either issue a notice of continuing compliance or a notice of non-compliance and a notice of CITY's intent to conduct a Special Review pursuant to Sections 6.1.2 through 6.1.6. Issuance of a notice of continuing compliance may be issued by the City Manager or his designee.

6.1.2 Initiation of Special Review. A special review may be called either by agreement between the parties or by initiation in one or more of the following ways:

(1) Recommendation of the Planning staff;

(2) Affirmative vote of at least four (4) members of the Planning Commission; or

(3) Affirmative vote of at least three (3) members of the City Council.

6.1.3 Notice of Special Review. The City Manager shall begin the special review proceeding by giving notice that the CITY intends to undertake a special review of this Agreement to the OWNER. Such notice shall be given at least ten (10) days in advance of the time at which the matter will be considered by the Planning Commission.

6.1.4 Public Hearing. The Planning Commission shall conduct a hearing at which the OWNER must demonstrate good faith compliance with the terms of this Agreement. The burden of proof on this issue is upon the OWNER.

6.1.5 Findings Upon Public Hearing. The Planning Commission shall determine upon the basis of substantial evidence whether or not the OWNER has, for the period under review, complied in good faith with the terms and conditions of this Agreement.

6.1.6 Procedure Upon Findings.

(a) If the Planning Commission finds and determines on the basis of substantial evidence that the OWNER has complied in good faith with the terms and conditions of this Agreement during the period under review, the review for that period is concluded.

(b) If the Planning Commission finds and determines on the basis of substantial evidence that the OWNER has not complied in good faith with the terms and conditions of this Agreement during the period under review, the Planning Commission may recommend to the City Council to modify or terminate this Agreement.

(c) The OWNER may appeal a determination pursuant to paragraph (b) to the City Council in accordance with the CITY's rule for consideration of appeals in zoning matters generally.

6.2 Proceedings Upon Modification or Termination. If, upon a finding under Section 6.1.6(b), the CITY determines to proceed with modification or termination of this Agreement, the CITY shall give notice to the property OWNER of its intention so to do. The notice shall contain:

(a) The time and place of the hearing;

(b) A statement as to whether or not the CITY proposes to terminate or to modify this Agreement; and

(c) Other information that the CITY considers necessary to inform the OWNER of the nature of the proceeding.

6.3 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, the OWNER shall be given an opportunity to be heard. The OWNER shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on the OWNER. If the City Council finds, based upon substantial evidence in the administrative record, that the OWNER has not complied in good faith with the terms and conditions of the agreement, the City Council may terminate or modify this Agreement and impose those conditions to the action it takes as it considers necessary to protect the interests of the CITY. The decision of the City Council shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

6.4 Certificate of Agreement Compliance. If, at the conclusion of a Periodic or Special Review, OWNER is found to be in compliance with this Agreement, CITY shall, upon written request by OWNER, issue a Certificate of Agreement Compliance ("Certificate") to OWNER stating that after the most recent Periodic or Special Review and based upon the information known or made known to the Planning Director and City Council that (1) this Agreement remains in effect and (2) OWNER is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after a Periodic or Special Review and shall state the anticipated date of commencement of the next Periodic Review. OWNER may record the Certificate with the County Recorder. Whether or not the Certificate is relied upon by assignees or other transferees or OWNER, CITY shall not be bound by a Certificate if a default existed at the time of the Periodic or Special Review, but was concealed from or otherwise not known to the Planning Director or City Council.

7. [RESERVED]

8. DEFAULT AND REMEDIES.

8.1 Remedies in General. It is acknowledged by the parties that CITY would not have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that CITY shall not be liable in damages to OWNER, or to any successor in interest of OWNER, or to any other person, and OWNER covenants not to sue for damages or claim any damages:

(a) For any breach of this Agreement or for any cause of action which arises out of this Agreement; or

(b) For the taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or

(c) Arising out of or connected with any dispute, controversy or issue regarding the application or interpretation or effect of the provisions of this Agreement.

8.2 Specific Performance. The parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all parties for the following reasons:

(a) Money damages are unavailable against CITY as provided in Section 8.1 above.

(b) Due to the size, nature and scope of the project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, OWNER may be foreclosed from other choices it may have had to utilize the Property or portions thereof. OWNER has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money which would adequately compensate OWNER for such efforts.

8.3 Release. Except for nondamaged remedies, including the remedy of specific performance and judicial review as provided for in Section 6.5, OWNER, for itself, its successors and assignees, hereby releases the CITY, its officers, agents and employees from any and all claims, demands, actions, or suits of any kind or nature arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other liability or damage, whatsoever, upon the CITY because it entered into this Agreement or because of the terms of this Agreement.

8.4 Termination or Modification of Agreement for Default of OWNER. Subject to the provisions contained in Subsection 6.3 herein, CITY may terminate or modify this Agreement for any failure of OWNER to perform any material duty or obligation of OWNER under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default"); provided, however, CITY may terminate or modify this Agreement pursuant to this Section only after providing written notice to OWNER of default setting forth the nature of the default and the actions, if any, required by OWNER to cure such default and, where the default can be cured, OWNER has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions

necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.5 Termination of Agreement for Default of CITY. OWNER may terminate this Agreement only in the event of a default by CITY in the performance of a material term of this Agreement and only after providing written notice to CITY of default setting forth the nature of the default and the actions, if any, required by CITY to cure such default and, where the default can be cured, CITY has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

9. THIRD PARTY LITIGATION.

9.1 General Plan Litigation. CITY has determined that this Agreement is consistent with its Comprehensive General Plan, as such General Plan exists as of the Effective Date ("General Plan"), and that the General Plan meets all requirements of law. OWNER has reviewed the General Plan and concurs with CITY's determination. CITY shall have no liability in damages under this Agreement for any failure of CITY to perform under this Agreement or the inability of OWNER to develop the Property as contemplated by the Development Plan of this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

9.2 Third Party Litigation Concerning Agreement. OWNER shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless CITY, its agents, officers and employees from any claim, action or proceeding against CITY, its agents, officers, or employees to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit granted pursuant to this Agreement. CITY shall promptly notify OWNER of any such claim, action or proceeding, and CITY shall cooperate in the defense. If CITY fails to promptly notify OWNER of any such claim, action or proceeding, or if CITY fails to cooperate in the defense, OWNER shall not thereafter be responsible to defend, indemnify, or hold harmless CITY. CITY may in its discretion participate in the defense of any such claim, action or proceeding.

9.3 Indemnity. In addition to the provisions of 9.2 above, OWNER shall indemnify and hold CITY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (OWNER's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of CITY. OWNER shall defend, at its expense, including attorneys' fees, CITY, its officers, agents, employees

and independent contractors in any legal action based upon such alleged acts or omissions. CITY may in its discretion participate in the defense of any such legal action.

9.4 Environment Assurances. OWNER shall indemnify and hold CITY, its officers, agents, and employees free and harmless from any liability, based or asserted, upon any act or omission of OWNER, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions, and OWNER shall defend, at its expense, including attorneys' fees, CITY, its officers, agents and employees in any action based or asserted upon any such alleged act or omission. CITY may in its discretion participate in the defense of any such action.

9.5 Reservation of Rights. With respect to Sections 9.2, 9.3 and 9.4 herein, CITY reserves the right to either (1) approve the attorney(s) which OWNER selects, hires or otherwise engages to defend CITY hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that OWNER shall reimburse CITY forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

9.6 Survival. The provisions of this Sections 9.1 through 9.6, inclusive, shall survive the termination of this Agreement.

10. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit OWNER, in any manner, at OWNER's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. CITY acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with OWNER and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. CITY will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the CITY in the manner specified herein for giving notices, shall be entitled to receive written notification from CITY of any default by OWNER in the performance of OWNER's obligations under this Agreement.

(c) If CITY timely receives a request from a Mortgagee requesting a copy of any notice of default given to OWNER under the terms of this Agreement, CITY shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to OWNER. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of OWNER's obligations or other affirmative covenants of OWNER hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by OWNER is a condition precedent to the performance of a covenant by CITY, the performance thereof shall continue to be a condition precedent to CITY's performance hereunder, and further provided that any sale, transfer or assignment by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement.

11. MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment or cancellation thereof shall be recorded with the San Bernardino County Recorder by the City Clerk within the ten (10) days after the CITY executes this Agreement, as required by Section 65868.5 of the Government Code. If the parties to this Agreement or their successors in interest amend or cancel this Agreement as provided for herein and in Government Code Section 65868, or if the CITY terminates or modifies the agreement as provided for herein and in Government Code Section 65865.1 for failure of the applicant to comply in good faith with the terms or conditions of this Agreement, the City Clerk shall have notice of such action recorded with the San Bernardino County Recorder.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Section 4 of this Agreement, including the payment of the fees set forth therein, are essential elements of this Agreement and CITY would not have entered into this

Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.6 Singular and Plural. As used herein, the singular of any word includes the plural.

11.7 Joint and Several Obligations. Subject to section 2.4, if at any time during the term of this Agreement the Property is owned, in whole or in part, by more than one owner, all obligations of such owners under this Agreement shall be joint and several, and the default of any such owner shall be the default of all such owners. Notwithstanding the foregoing, no owner of a single lot which has been finally subdivided and sold to such owner as a member of the general public or otherwise as an ultimate user shall have any obligation under this Agreement except as provided under Section 4 hereof.

11.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.9 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

11.10 No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

11.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force), government regulations, court actions (such as restraining orders or injunctions), or other causes beyond the party's control. If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations

hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years.

11.12 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

11.13 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

11.14 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

11.15 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of San Bernardino, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between CITY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

11.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement. The City Manager may delegate his powers and

duties under this Agreement to an Assistant City Manager or other management level employee of the CITY.

11.18 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by CITY of its power of eminent domain.

11.19 Agent for Service of Process. In the event OWNER is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, OWNER shall file with the Planning Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon OWNER. If for any reason service of such process upon such agent is not feasible, then in such event OWNER may be personally served with such process out of this County and such service shall constitute valid service upon OWNER. OWNER is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto. OWNER for itself, assigns and successors hereby waives the provisions of the Hague Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U.S.T. 361, T.I.A.S. No. 6638).

11.20 Estoppel Certificate. Within thirty (30) business days following a written request by any of the parties, the other party shall execute and deliver to the requesting party a statement certifying that (i) either this Agreement is unmodified and in full force and effect or there have been specified (date and nature) modifications to the Agreement, but it remains in full force and effect as modified; and (ii) either there are no known current uncured defaults under this Agreement or that the responding party alleges that specified (date and nature) defaults exist. The statement shall also provide any other reasonable information requested. The failure to timely deliver this statement shall constitute a conclusive presumption that this Agreement is in full force and effect without modification except as may be represented by the requesting party and that there are no uncured defaults in the performance of the requesting party, except as may be represented by the requesting party. OWNER shall pay to CITY all costs incurred by CITY in connection with the issuance of estoppel certificates under this Section 11.20 prior to CITY's issuance of such certificates.

11.21 Authority to Execute. The person or persons executing this Agreement on behalf of OWNER warrants and represents that he or she/they have the authority to execute this Agreement on behalf of his or her/their corporation, partnership or business entity and warrants and represents that he or she/they has/have the authority to bind OWNER to the performance of its obligations hereunder.

11.22 Prevailing Wage. OWNER, for itself, its successors, and assigns, agrees, covenants, and warrants that the development of the Property, if any, shall comply with all applicable federal and state labor laws (including, without limitation, the requirement

under California law to pay prevailing wages and hire apprentices), and all obligations as set forth herein.

11.22.1 CITY makes no representations concerning prevailing wages in compliance with California Labor Code Section 1770 et seq.

11.22.2 OWNER acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations with respect to the payment of prevailing wages and complying therewith. OWNER shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

11.22.3 The foregoing indemnity shall survive termination of this Agreement and shall continue after completion of the construction and development of the Property by OWNER, its successors or assigns. OWNER shall be solely responsible for determining and effectuating compliance with such laws.

11.22.4 OWNER, ON BEHALF OF ITSELF, ITS SUCCESSORS, AND ASSIGNS, WAIVES AND RELEASES CITY FROM ANY RIGHT OF ACTION THAT MAY BE AVAILABLE TO OWNER PURSUANT TO LABOR CODE SECTION 1781 OR THE DAVIS BACON ACT. RELATIVE TO THE WAIVER AND RELEASE CONTAINED IN THIS SECTION 11.22, OWNER ACKNOWLEDGES THE PROTECTIONS OF CIVIL CODE SECTION 1542, WHICH READS AS FOLLOWS: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

INITIALS. BY INITIALING BELOW, OWNER KNOWINGLY AND VOLUNTARILY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES:

_____
(Owner's Initials)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

SIGNATURE PAGE
TO DEVELOPMENT AGREEMENT PDA25-003

"OWNER"

GDC Investments 13,
a Limited Partnership_____

By: _____
Name: Dave Waters
Its:VicePresident_____
Date: _____

"CITY"

CITY OF ONTARIO

By:_____
Scott Ochoa
City Manager

Date: _____

ATTEST:

_____
City Clerk, Ontario

APPROVED AS TO FORM:
BEST BEST KRIEGER, LLP

_____
City Attorney

ACKNOWLEDGEMENT

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_____)

On _____, 20_____, before me,_____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)
_____, who proved to me on the basis of satisfactory evidence to be the person 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, 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_____
Signature of Notary Public

Place Notary Seal Above

ACKNOWLEDGEMENT

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_____)

On _____, 20_____, before me_____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)

_____,
who proved to me on the basis of satisfactory evidence to be the person 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, 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_____
Signature of Notary Public

Place Notary Seal Above

EXHIBIT "A"
TO DEVELOPMENT AGREEMENT

Legal Description of Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 1 OF TRACT NO. 18380, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, AS PER MAP RECORDED IN BOOK 350, PAGES 64 THROUGH 69, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 1073-101-05-0-000

EXHIBIT "B"
TO DEVELOPMENT AGREEMENT

Map showing Property and its location

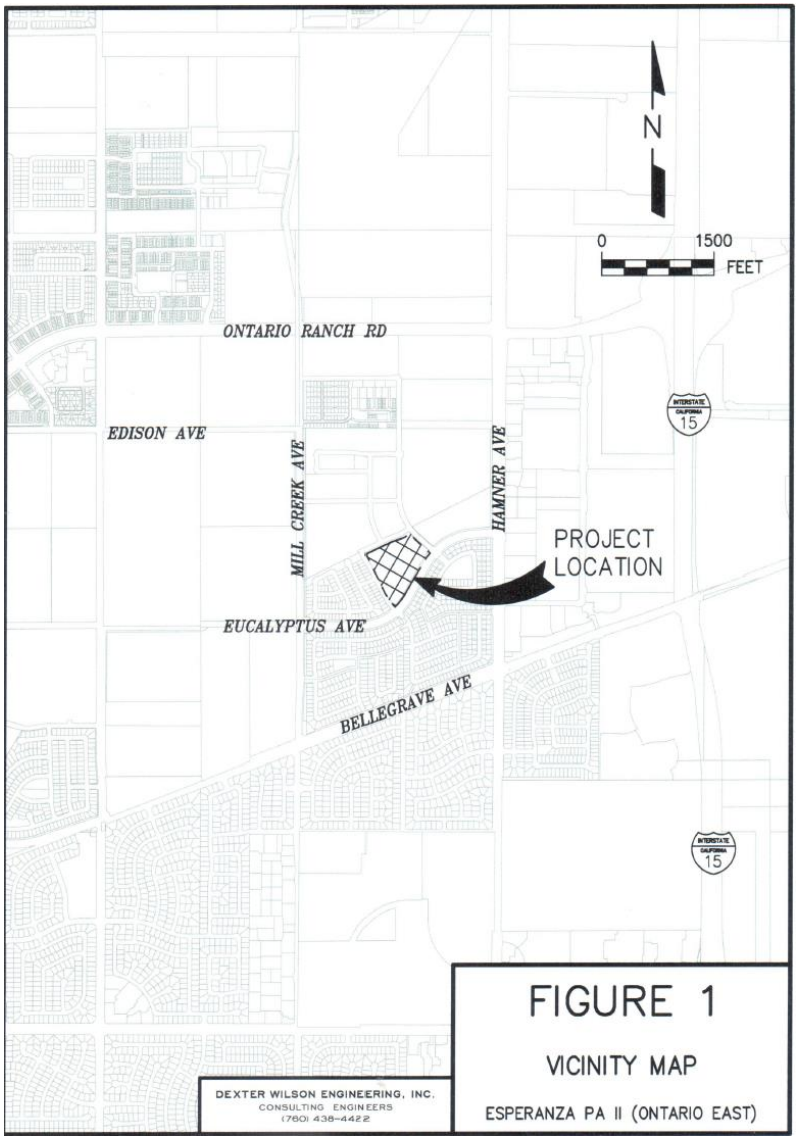


EXHIBIT "C"
TO DEVELOPMENT AGREEMENT

Existing Development Approvals

On December 18, 2006, the Planning Commission:

a) Issued Resolution No. PC06-170 recommending City Council adopt and certify the Esperanza Environmental Impact Report (SCH#2002061047).

b) Issued Resolution No. PC06-171 recommending City Council approval of the Esperanza Specific Plan (File No. PSP05-002).

On January 16, 2007, the City Council:

a) Adopted and certified the Esperanza Environmental Impact Report (SCH#2002061047) and issued Resolution No. 2007-008.

On February 6, 2007, the City Council:

a) Approved the Esperanza Specific Plan (File No. PSP05-002) and adopted Ordinance No. 2852.

On August 27, 2019, the Planning Commission:

a) Issued Resolution No. PC19-064 for the approval of Tentative Tract Map 20157 (File No. PMTT18-002).

b) Issued Resolution No. PC19-068 recommending City Council approval of the Development Agreement (File No. PDA19-002).

EXHIBIT "D"
TO DEVELOPMENT AGREEMENT

Existing Land Use Regulations

These documents are listed for reference only:

1. Esperanza Specific Plan EIR (SCH#2002061047), Resolution No. 2007-008

2. Esperanza Specific Plan (File No. PSP0S-002), Ordinance No. 2852

3. City of Ontario Municipal Code
    a. Six - Sanitation & Health
    b. Seven - Public Works
    c. Eight- Building Regulations
    d. Nine - Development Code
    e. Ten - Parks & Recreation

EXHBIT "E"
TO DEVELOPMENT AGREEMENT

Description of Required Infrastructure Improvements

OWNER shall design, construct, and complete all improvements including but not limited to Sewer (SW), Potable Water (PW), Recycled Water (RW), Storm Drain (SD), Fiber Optic (FO), and Street (ST) improvements necessary to serve the Property, prior to the request of any Production Units.

FIBER OPTICS (FO)

a) FO improvements on Chatham Street from South Amherst Avenue to Clifton Avenue.

POTABLE WATER (PW)

a) PW improvements on Clifton Avenue from Eucalyptus Avenue to Chatham Street.
b) PW improvements on Chatham Street from Clifton Avenue to Amherst Avenue.
c) PW improvements on Amherst Avenue from Chatham Street to Eucalyptus Avenue.

RECYCLED WATER (RW)

a) RW improvements on Clifton Avenue from Eucalyptus Avenue to Chatham Street.
b) Abandonment of RW improvements on Amherst Avenue from Eucalyptus Avenue to Shelburne Street.

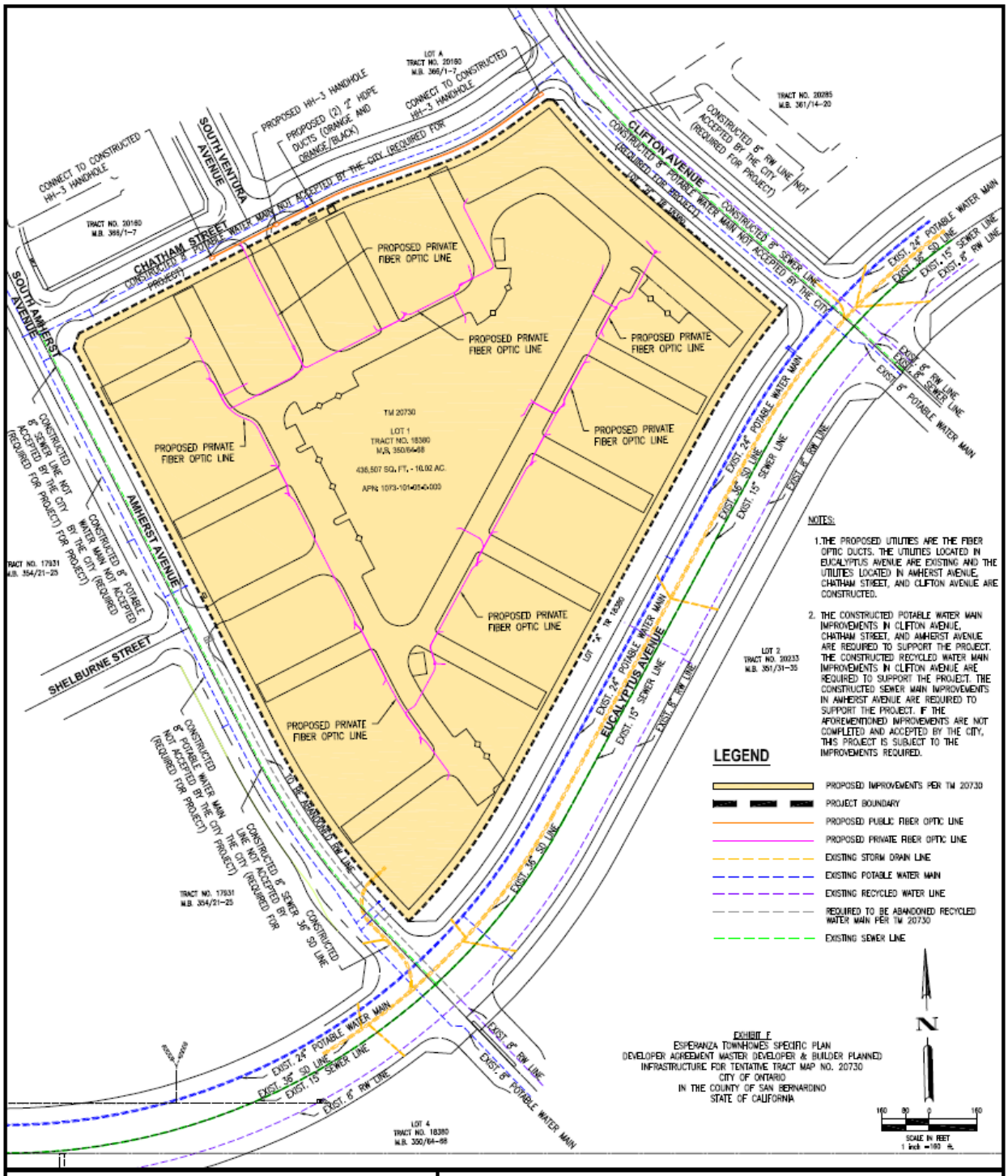
SEWER (SW)

a) SW improvements on Amherst Avenue from the Project's point of connection to Eucalyptus Avenue.

EXHBIT “F”
TO DEVELOPMENT AGREEMENT

Required Infrastructure Improvements

(SEE ATTACHED EXHIBITS)



WALDEN & ASSOCIATES
CIVIL ENGINEERS – LAND SURVEYORS – PLANNERS
2552 WHITE ROAD, SUITE B • IRVINE, CA 92614-6236
(949) 660-0110 FAX: 660-0418

ESPERANZA PA-11 TOWNHOMES
TM 20730
DEVELOPER AGREEMENT EXHIBIT

W.O. No. 2175-996-001 Date 08/2025
Engr. AC Chk'd MP Sheet 1 Of 1

EXHIBIT "G"
TO DEVELOPMENT AGREEMENT

Form of Plume Disclosure Letter

CITY OF ONTARIO

ONTARIO MUNICIPAL UTILITIES COMPANY

PAUL S. LEON
MAYOR

DEBRA DORST-PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
RUBEN VALENCIA
COUNCIL MEMBERS

AL C. BOLING
CITY MANAGER

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

SCOTT BURTON
UTILITIES GENERAL MANAGER

March 2017

DISCLOSURE NOTICE
SOUTH ARCHIBALD TRICHLOROETHYLENE PLUME

Dear Property Owner/Developer/Applicant:

The City of Ontario ("City") has approved or will be approving development in the Ontario Ranch area in the next few years, subject to the appropriate and required statutory process. This letter is intended to serve as notice to all potential property owners of the existence of a groundwater plume, known as the South Archibald Trichloroethylene (TCE) Plume which may exist in, under or near owner's property.

The groundwater plume is in an area in the central Chino Basin south of the Pomona Freeway, west of Turner Avenue, east of Grove Avenue, and north of Kimball Avenue. The plume primarily consists of TCE, a discontinued industrial solvent, and is subject to a clean-up under the oversight and direction of the Santa Ana Regional Water Quality Control Board ("Regional Board").

The Regional Board's approved clean-up procedure involves the removal and treatment of groundwater containing TCE via groundwater wells to reduce the plume concentrations and control its migration. In addition, the City is providing potable water supplies for domestic purposes to residences with private domestic wells affected by the plume. Finally, the Regional Board will continue to monitor all impacted areas and private domestic wells to ensure that residents' health and the environment are properly safeguarded. These remedial actions are documented in a Remedial Action Plan approved by the Regional Board in September 2016.

Further and current information may be found on the Regional Board's Geotracker website at https://geotracker.waterboards.ca.gov/profile_report?global_id=T10000004658.

Property owners may wish to include this letter as a part of a Real Estate Transfer Disclosure under California Civil Code Section 1102 et seq.

1425 SOUTH BON VIEW - ONTARIO, CALIFORNIA 91761-4406 - (909) 395-2605 - FAX (909) 395-2601

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Fire Department Prepared By: Kemi Makinde Staff Member Presenting: Mike Gerken, Fire Chief Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 11

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT FOR EMERGENCY COMMUNICATION NURSE SYSTEM (ECNS) SERVICES WITH CONSOLIDATED FIRE AGENCIES (CONFIRE) AND CITY OF ONTARIO**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute the Agreement between the Consolidated Fire Agencies (CONFIRE) and the City of Ontario for the provision of Emergency Communication Nurse System (ECNS) services through the Ontario Fire Department with a projected not-to-exceed amount of $333,501.00.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Operate in a Businesslike Manner

FISCAL IMPACT: The Emergency Communication Nurse System (ECNS) service is currently funded through regional resources, grants, and external funding managed by CONFIRE. Therefore, there is no immediate fiscal impact to the City.

In the event CONFIRE funding is reduced or eliminated for this service, participating agencies, including the City of Ontario will be charged on a pro-rated, per call, basis according to ECNS call volume. If this does occur, additional appropriations will be included in the General Fund at a future budget update to City Council as needed to account for the $333,501 over the course of the proposed contract period.

BACKGROUND & ANALYSIS: The Emergency Communication Nurse System (ECNS) is a program designed to enhance 911 response efficiency and patient care by integrating registered nurse triage into the emergency communications dispatch process. Through this system, trained nurses assess non-emergency medical calls received from Ontario Fire Dispatch and connect callers with appropriate healthcare resources, thus improving emergency response efficiency and reducing preventable emergency deployments for non-emergent cases.

Consolidated Fire Agencies (CONFIRE) currently operates the regional ECNS program in

collaboration with the San Bernardino County Fire Chiefs Association and San Bernardino County Emergency Medical Services (EMS). CONFIRE is the only agency authorized and equipped to provide ECNS services within the County's 911 and Computer-Aided Dispatch (CAD) infrastructure.

Under the proposed Agreement, CONFIRE will provide ECNS services to the Ontario Fire Department for eligible 911 calls originating within the City of Ontario and/or City of Corona and services will be staffed by California-licensed registered nurses certified in the Priority Solutions Inc. (PSI) triage protocol. The ECNS program is currently funded through external resources and grants managed by CONFIRE. In the event CONFIRE funding is reduced or eliminated for this service, participating agencies, including the City of Ontario will be charged on a pro-rated, per call, basis according to ECNS call volume. If this does occur, staff will request that City Council appropriate funding for a projected not-to-exceed amount of $333,501 over the course of the proposed three-year contract period. This projection is based on known program costs and 2024 call volume where ECNS service could be utilized, plus an additional 10% contingency for year-to-year variability in call volume.

Therefore, in an effort to enhance 911 services to the community and improve emergency response efficiency, Staff recommends the approval of this Agreement with CONFIRE for ECNS service delivery.

CONSOLIDATED FIRE AGENCIES
CONTRACTING AGENCY AGREEMENT
(City of Ontario)

This Agreement ("Agreement") is by and between the Consolidated Fire Agencies ("CONFIRE"), a joint powers authority duly authorized and existing under Government Code, § 6500 et seq., and the City of Ontario ("Contracting Agency"), a general law city duly formed and existing under Article XI, Section 7 of the California Constitution. CONFIRE and Contracting Agency may be individually referred to as a "Party" and collectively as the "Parties."

1. EXHIBITS

This Agreement has multiple Exhibits. Any Exhibit that is specified in this Agreement is by this reference made a part of it.

Exhibits include:

- Exhibit A: Scope of Services
- Exhibit B: Compensation
- Exhibit C: Effective Date and Term
- Exhibit D: General Terms and Conditions
- Exhibit E: HIPAA Business Associate Agreement
    - Appendix 1 to Exhibit E: General Terms and Conditions to HIPAA Business Associate Agreement

2. INDEPENDENT CONTRACTOR

a. CONFIRE, in the performance of this Agreement, is and shall act as an independent contractor.

b. Neither Contracting Agency, nor any of Contracting Agency's employees, shall be considered officers, employees, agents, partner, or joint venture of CONFIRE; nor shall such persons be entitled to benefits of any kind or nature normally provided to employees of CONFIRE.

c. Neither CONFIRE nor any of CONFIRE's employees shall be considered officers, employees, agents, partner, or joint venture of Contracting Agency; nor shall such persons be entitled to benefits of any kind or nature normally provided to employees of Contracting Agency.

3. SCOPE OF SERVICES

CONFIRE shall furnish to the Contracting Agency the services described in Exhibit A ("Services").

4. COMPENSATION

CONFIRE shall receive payment, for Services rendered pursuant to this Agreement, as specified in Exhibit B ("Compensation").

5. EFFECTIVE DATE AND TERM

The Effective Date and Term are set forth in Exhibit C.

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions are set forth in Exhibit D.

7. NOTICE

Any notice required by this Agreement may be given either by personal service or by deposit (postage prepaid) in the U.S. mail addressed as follows:

To CONFIRE:

Consolidated Fire Agencies
Attn: Nathan Cooke,
Interim Executive Director
1743 Miro Way
Rialto, CA 92376

To Contracting Agency:

City of Ontario
Attn: Michael Wedell, Deputy Chief
415 E. B Street
Ontario, CA 91764

8. HIPPA BUSINESS ASSOCIATE AGREEMENT

The "Business Associate Agreement by and between Contracting Agency and CONFIRE" is set forth in Exhibit E.

The Parties have executed this Agreement on the dates indicated below.

Consolidated Fire Agencies	**City of Ontario**
Date: _____, 2025	Date: _____, 2025
By: _____	By: _____
Print Name: Nathan Cooke	Print Name: _____
Its: Interim Executive Director	Its: _____

EXHIBIT A
to CONTRACTING AGENCY AGREEMENT

SCOPE OF SERVICES

CONFIRE agrees to provide ECNS services to the Ontario Fire Department (OFD) for eligible calls that are generated from the OFD dispatch center. This agreement does not guarantee that all OFD eligible calls will be processed by CONFIRE. CONFIRE will make every attempt to process all eligible ECNS calls from OFD based on call-volumes, staffing levels, software, and network impacts, fiscal impacts, and any other unforeseen issues that may impact the performance of the program. CONFIRE reserves the right to pause and/or cancel this agreement at any time due to any unforeseen impacts that may negatively impact CONFIRE's ability to process OFD ECNS calls.

CONFIRE shall provide the following services to the Contracting Agency ("Services"):

1. Description of Services

The term "Services" or "ECN Services" shall refer to the services described in the following paragraph: Contractor will provide, at Contractor's Communications Center, the ECN Line Services for Client, utilizing California-certified registered nurses specifically trained in the Priority Solutions Inc, protocol system "Emergency Communication Nurse (ECN) System", to assess and triage callers transferred from Client to the Contractor's Call Center's located in the Valley and or the Desert. Via a phone system, Contractor's nurse personnel, that may be onsite at either Center or may be remote, will provide care, guidance and/or referral to the appropriate health care or community resource as prescribed by the Emergency Medical System (EMS) in San Bernardino County.

2. Joint Duties and Responsibilities of Client and Contractor

2.1 Primary Contact - The Parties will each designate a primary contact person to handle the operational details of the Scope of Services specified in this Agreement. The Parties will jointly develop an Implementation Plan for the commencement of services described in this Agreement. As part of the Implementation Plan, the Parties will mutually agree on a service launch date.

2.2 Sharing of Data - The Parties will jointly develop and share data and information, both qualitative and quantitative, as allowed by law, for the purpose of care coordination for the callers served by Contractor. CAD and LowCode will be shared as prescribed by the PSI interface. This access is for the purposes of QA and customer service reviews, aggregate survey data collection, and report development (refer to 3.1 1) as conducted by CONFIRE and Ontario Communications Center.

2.3 Notice of schedule change – The parties will agree on the proper notice of schedule changes.

2.4 Changes in management procedures will be mutually agreed upon by both parties with the understanding that spontaneous change may be requested and managed appropriately.

2.5 The Grievance Procedure is defined in the Operation Plan as described below and will be mutually agreed upon by parties.

2.6 Operational Plan - A mutually agreed upon operations plan (Attachment A) will detail the call flow and all local protocols requested by Ontario Communications Center and/or CONFIRE. Details of this plan to be revised and agreed upon in future dates, as needed.

2.7 Technology Plan - A mutually agreed upon technology plan (Attachment B) will detail technical interfaces and/or data flow between Ontario Communications Center and CONFIRE equipment. Details of this plan to be revised and agreed upon in future dates, as needed.

3. Contractor Duties and Responsibilities

3.1 ECN Service Line -Contractor will provide a ten-digit telephone line, 16 hours-day, 7 days-per-week based on availability of staff with specifically trained staff certified in the (IAED) Emergency Medical Dispatch (EMD) protocols, ECNS system protocols, and who understand or are certified in quality assurance systems and practices.

3.2. Credentials - The ECN Line will be staffed by specially trained registered nurses. Registered nurses will be licensed in California and will maintain Emergency Medical Dispatch (EMD) and Emergency Communications Nurse System (ECNS) certification.

3.3 Protocols - Ontario Communications Center will be transferring eligible callers via 911 or other telephone number to the ECNS Line for the provision of applying the PSI protocol-driven algorithm certified by the International Academy of Emergency Dispatch.

3.4 Clinical Quality Improvement & Accreditation - Contractor will maintain a quality improvement program as required by the IAED's Accredited Center of Excellence (ACE) designation. Both parties will agree on a process to review the EMD portion of eligible ECNS calls when necessary and any additional types of calls that are reviewed outside of the normal (random) call selection.

3.5 Service Area - for the purposes of this contract, the applicable service areas are the locations of which calls are transferred to CONFIRE that originate at the Ontario Communications Center.

3.6 Designated Phone Number - Contractor will provide a designated phone number for calls to be transferred to the ECN Line. Client agrees that this phone number can be a pre-existing phone line or extension. Optimally, the line used would be exclusive to CONFIRE transfers, which sets the ECN's preparation for a call from the Ontario locale.

3.7 Eligible Callers - A caller that accesses 911 requesting medical services to a valid location within Ontario or Corona’s service areas. Ontario ECC staff apply EMD protocols, including Case Entry and Determinant Selection, where the caller's acuity is identified as eligible for an ECN transfer. The transfer is conducted and answered by the on-duty ECN who will process the caller's information via an approved script and protocol. When the ECN successfully completes the ECNS protocol a recommended level of care is provided to the caller.

4. Client Duties, Responsibilities and Acknowledgements

4.1. Emergency Medical Conditions - Client acknowledges and agrees that once the call is received by Contractor, and any time a caller believes that emergency medical care is required, Contractor will immediately transfer the caller back to Ontario Communications center according to protocols mutually established by Client and Contractor.

4.2 Designated Phone Number - Client will provide a designated phone number for calls to be transferred back to Ontario Communications Center from the ECN Line. Contractor agrees that this phone number can be a pre-existing phone line or extension but must be exclusive to CONFIRE transfers.

4.3 Eligible Callers - Eligible callers include those who have accessed 911 and are within the Ontario or Corona service area.

4.4 In-Network Referral List - The Parties will jointly develop a change procedure to update the lists containing in-network and San Bernardino County services.

4.5 Availability of Client's In-Network Services - Client is solely responsible for availability of in-network and SBC services following referral by the ECN.

FUNDING AND COMPENSATION

The funding plan for Emergency Communications Nurse Systems services is as follows:

1. Primary Funding Sources – the ECNS program shall be funded through a layered structure consisting of:
    a. Insurance Payer Contributions (60%). CONFIRE intends to secure approximately sixty percent (60%) of overall program funding through reimbursement and/or contractual payments from the top insurance payers operating within the service area.
    b. Government Agency Contributions (40%). The remaining forty percent (40%) of program funding shall be provided through existing funding from the County of San Bernardino, Department of Behavioral Health, or such other government agencies as may be identified by CONFIRE.

2. Contingency for Non-Materialization of Funding
In the event funding described in Section 1 (a) does not materialize in whole or in part, CONFIRE agencies and contract agencies shall be required to provide supplemental funding to ensure continuity of the program. Such supplemental funding shall be assessed on a cost per call basis, with each participating agency responsible for payment proportionate to its respective call volume as determined by the program's established reporting mechanisms.

    a. Based on known program costs and 2024 call volumes, the Contracting Agency's costs for ECNS services are estimated as follows:

EMS Call Volume	10% of Call Volume	2025-26 Costs	2026-27 Costs	2027-28 Costs
33,298	3,330	$21,870	$137,451	$143,862
Cost Per Call		$6.57	$41.28	$43.20

Note: Year 2 and 3 changes in costs reflect an anticipated funding decrease in Government Agency Contributions starting in 2026-27 and known increases in operational expenses.

    b. The Contractor reserves the right to develop and implement new cost recovery methodologies and metrics as needed to ensure full cost recovery and an equitable allocation of costs to all entities receiving ECNS services.

    c. Notwithstanding the foregoing, the Contracting Agency's total payments for ECNS services during the initial term shall not exceed $333,501 in the aggregate (the "Initial NTE"). For any renewal term, the parties shall agree in writing, prior to

commencement of the renewal term, to updated funding, including any cost-per-call rates, and to a new not-to-exceed amount for that renewal term. In the absence of such agreement, the Agreement shall not renew and shall expire at the end of the then-current term. No further payment obligations shall accrue other than amounts earned and payable through the end of the then-current term.

3. Adjustments.
   The cost-per-call rate shall be reviewed annually and adjusted as necessary to reflect actual program budgets/costs and available revenues.

4. Obligations of Participating Agencies
   Each participating agency acknowledges and agrees that notwithstanding the layered funding structure described herein, the agencies remain ultimately responsible for providing sufficient funding to support the ECNS program.

5. Funding Security
   The layered funding model set forth in this section is intended to reduce risk and provide predictability. However, failure of any funding source to materialize shall not relieve the participating agencies of their obligation to provide adequate funding as described in paragraph 2.

When charges apply:

1. Invoices are issued on a quarterly basis.

2. Payment is due within thirty (30) days upon receipt of the invoice.

EFFECTIVE DATE AND TERM

1. This Agreement is effective on XX X, 2025 ("Effective Date").

2. Unless terminated or otherwise cancelled in accordance with this Agreement, the initial term of this Agreement shall be for three (3) years from the Effective Date through (ii) XX XX, 2028 with an option to extend services for two additional one-year periods for a total contract term of five (5) years.

3. Notwithstanding anything to the contrary herein, the Parties shall have the right to terminate this Agreement as set forth in Section V(b) of Appendix 1 to Exhibit E of the Agreement.

EXHIBIT D
to CONTRACTING AGENCY AGREEMENT

GENERAL TERMS AND CONDITIONS

1. **PROVISIONS REQUIRED BY LAW DEEMED INSERTED.** Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though it were included. If through mistake or otherwise, any provision is not inserted or is not correctly inserted, then upon application of either Party, the Agreement shall be amended to make the insertion or correction. All references to statutes and regulations shall include all amendments, replacements, and enactments in the subject which are in effect as of the date of this Agreement, and any later changes which do not materially and substantially alter the positions of the Parties.

2. **ASSIGNMENT AND SUCCESSORS.** Neither Party shall, without the prior written consent of the other Party, assign the benefit or in any way transfer their respective obligations under this Agreement. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and, except as otherwise provided herein, upon their executors, administrators, successors, and assigns.

3. **SEVERABILITY.** In the event that any provision of this Agreement shall be construed to be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions hereof, but such illegal or invalid provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal or invalid provision had never been included herein, unless to do so would frustrate the intent and purpose of this Agreement.

4. **FORCE MAJEURE.** No Party shall be liable to any other Party for any loss or damage of any kind or for any default or delay in the performance of its obligations under this Agreement (except for payment obligations) if and to the extent that the same is caused, directly or indirectly, by fire, flood, earthquake, elements of nature, epidemics, pandemics, quarantines, acts of God, acts of war, terrorism, civil unrest or political, religious, civil or economic strife, or any other cause beyond a Party's reasonable control.

5. **VENUE/GOVERNING LAWS.** This Agreement shall be governed by the laws of the State of California. The venue of any action or claim brought by any Party to this Agreement shall be the County of San Bernardino.

6. **ATTORNEY'S FEES.** If suit is brought by either Party to enforce any of the terms of this Agreement, each Party shall bear its own attorney's fees and costs.

7. **ENTIRE AGREEMENT.** This Agreement represents the entire agreement between Parties and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended or modified only by an agreement in writing, signed by both Contracting Agency and CONFIRE.

8. **MODIFICATION.** This Agreement may be amended at any time by the written agreement of CONFIRE and Contracting Agency.

9. **WAIVER.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

10. **AUTHORITY.** The individual executing this Agreement on behalf of Contracting Agency warrants that he/she is authorized to execute the Agreement on behalf of Contracting Agency and that Contracting Agency will be bound by the terms and conditions contained herein.

11. **HEADINGS AND CONSTRUCTION.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the Parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared the same. Unless otherwise indicated, all references to paragraphs, sections, subparagraphs, and subsections are to this Agreement.

12. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, when signed by all of the Parties hereto, shall constitute one and the same instrument. A facsimile or electronic signature shall be as valid as an original.

13. **INDEMNIFICATION**.

A. By CONFIRE. CONFIRE shall indemnify, defend and hold harmless Contracting Agency, and all of its employees, officials, and agents ("Contracting Agency Parties"), from and against any and all claims, demands, suits, judgments, expenses and costs of any and every kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, insofar as it may legally do so, arising from the negligent or wrongful acts or omissions of CONFIRE'S officers, agents, volunteers or employees ("CONFIRE's Parties") arising out of, or in any way attributable to, the performance of this Agreement. CONFIRE shall not be held responsible or liable for any loss, damage, detention or delay caused by strike, lockout, fire, flood, act or civil or military authority, insurrection or riot, or by any other cause which is not foreseeably within its control. CONFIRE's obligation to defend the Contracting Agency Parties is not contingent upon there being an acknowledgement or determination of the merit of any claims, demands, actions, causes of action, suits, losses, liability, expenses, penalties, obligations, errors, omissions, and/or costs.

B. By Contracting Agency. Contracting Agency shall indemnify, defend and hold harmless CONFIRE Parties from and against any and all claims, demands, suits, judgments, expenses and costs of any and every kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, insofar as it may legally do so, arising from the negligent or wrongful acts or omissions of Contracting Agency Parties arising out of, or in any way attributable to the performance of this Agreement. Contracting Agency shall not be held responsible or liable for any loss, damage, detention or delay caused by strike, lockout, fire, flood, act or civil or military authority, insurrection or riot, or by any other cause which not foreseeably within its control. Contracting Agency's obligation to defend CONFIRE Parties is not contingent upon there being an acknowledgement or determination of the merit of any claims, demands, actions, causes of action, suits, losses, liability, expenses, penalties, obligations, errors, omissions, and/or costs.

14. **INSURANCE.**

A. Each Party shall carry $1,000,000/$2,000,000 (occurrence/general and product/completed operations aggregate) of commercial general liability coverage (or participate in a public agency risk pool for such amount) and each Party agrees to give the other, its directors officers, employees, or authorized volunteers insured status under its policy using ISO "occurrence" form CG 00 01 or equivalent and to provide a certificate of insurance and additional insured endorsement. Commercial general liability insurance and endorsements shall be kept in force at all times during the performance of this Agreement.

B. Each Party shall carry 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 each accident for bodily injury and $1,000,000 each employee for bodily injury by disease.

C. Each Party shall carry Automobile Liability Insurance (or participate in a public agency risk pool for such amount) with coverage at least as broad as ISO Form CA 0001 covering "Any Auto" (Symbol 1), including owned, non-owned and hired autos, or the equivalent with minimum limits of $1,000,000 each accident.

EXHIBIT E
to CONTRACTING AGENCY AGREEMENT

BUSINESS ASSOCIATE AGREEMENT
BY AND BETWEEN
CONTRACTING AGENCY AND CONFIRE

This Business Associate Agreement ("BAA") is entered into by and between Consolidated Fire Agencies ("Business Associate"), a California joint powers authority existing pursuant to Gov. Code, § 6500 et seq., and the City of Ontario ("Covered Entity"), a general law city duly formed and existing under Article XI, Section 7 of the California Constitution... Business Associate and Covered Entity may be collectively referred to as the "Parties" or individually as a "Party."

RECITALS

Covered Entity is contracting with Business Associate for the performance of certain services ("Services"), as set forth in the Agreement to which this BAA is attached as Exhibit E;

Covered Entity is a covered entity as defined in 45 C.F.R. § 160.103;

Business Associate is a business associate, as defined in 45 C.F.R. § 160.103, of Covered Entity;

45 C.F.R. § 164.504 requires that covered entities enter into agreements with their business associates that satisfy the requirements of 45 C.F.R. § 164.504(e)(2); and

Business Associate and Covered Entity are both governmental entities for the purposes of 45 C.F.R. § 164.504 (e)(3)(i).

AGREEMENT

1. General Terms and Conditions

The General Terms and Conditions to this BAA are set forth in Appendix 1.

The Parties have executed this Agreement on the dates indicated below. The last of the two dates shall be the "Effective Date" of this BAA.

Consolidated Fire Agencies	**City of Ontario**
Date: _____, 2025	Date: _____, 2025
By: _____	By: _____
Print Name: Nathan Cooke	Print Name: _____
Its: Interim Executive Director	Its: _____

General Terms and Conditions to Business Associate Agreement

I. DEFINITIONS.

a. Generally. Capitalized terms used within the BAA without definition, including within this Appendix 1, shall have the meanings ascribed to them in the Health Insurance Portability and Accountability Act and 45 C.F.R. Part 160 and 164 ("HIPAA and HIPAA Regulations"), and the Health Information Technology for Economic and Clinical Health Act and 45 C.F.R. Part 170 ("HITECH Act and Regulations"), as applicable, unless otherwise defined herein. HIPAA and HIPAA Regulations and HITECH Act and Regulations are collectively referred to herein as "Applicable Law".

b. Catch-all Definition. The following terms used in this BAA shall have the same meaning as those terms in the HIPAA and HIPAA Regulations: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

II. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE.

Business Associate agrees to:

a. Not use or disclose Protected Health Information other than as permitted or required by this BAA, the Agreement, or as required by law;

b. Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic Protected Health Information, to prevent Use or Disclosure of Protected Health Information other than as provided for by this BAA;

c. Report to Covered Entity any Use or Disclosure of Protected Health Information not provided for by this BAA of which it becomes aware, including breaches of Unsecured Protected Health Information as required at 45 CFR 164.410, and any Security Incident of which it becomes aware;

d. In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any Subcontractors that create, receive, maintain, or transmit Protected Health Information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information;

e. Make available Protected Health Information in a Designated Record Set to Covered Entity or to an individual whose Protected Health Information is maintained by Business Associate, or the individual's designee, and document and retain the documentation required by 45 CFR 164.530(j), as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524;

f. Make any amendment(s) to Protected Health Information in a Designated Record Set as directed or agreed to by the Covered Entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526;

g. Maintain and make available the information required to provide an accounting of Disclosures to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528;

h. To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s); and

i. Make its internal practices, books, and records available to the Secretary for purposes of determining Business Associate's or Covered Entity's compliance with HIPAA and HIPAA Regulations.

III. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE.

a. Business Associate may only Use or Disclose Protected Health Information as necessary to perform the Agreement(s).

b. Business Associate may Use or Disclose Protected Health Information as required by law.

c. Business Associate agrees to make Uses and Disclosures and requests for Protected Health Information consistent with Covered Entity's Minimum Necessary policies and procedures.

d. Business Associate may not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity.

IV. PERMISSIBLE REQUESTS BY COVERED ENTITY.

a. Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 CFR Part 164 if done by Covered Entity.

V. TERM AND TERMINATION.

a. Term. This BAA is effective as of the Effective Date and will continue in force until terminated.

b. Termination for Convenience. Either Party may terminate this BAA at any time, for any reason or for no reason, by giving the other Party at least thirty (60) days' prior written notice.

c. Obligations of Business Associate Upon Termination. Upon termination of this BAA for any reason, Business Associate shall return to Covered Entity or, if agreed to by Covered Entity, destroy all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that the Business Associate still maintains in any form. Business Associate shall retain no copies of the Protected Health Information. Upon termination of this BAA for any reason, Business Associate, with respect to Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, shall:

i. Retain only that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;

ii. Return to Covered Entity or, if agreed to by Covered Entity, destroy the remaining Protected Health Information that the Business Associate still maintains in any form;

iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic Protected Health Information to prevent use or disclosure of the Protected Health Information, other than as provided for in this Section, for as long as Business Associate retains the Protected Health Information;

iv. Not use or disclose the Protected Health Information retained by Business Associate other than for the purposes for which such Protected Health Information was retained and subject to the same conditions which applied prior to termination; and

v. Return to Covered Entity or, if agreed to by Covered Entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

d. Survival. The obligations of Business Associate under this Section shall survive the termination of this BAA.

VI. MISCELLANEOUS.

a. Governmental Access to Records. Business Associate shall make its internal practices, books and records relating to the Use and Disclosure of PHI available to the Secretary for purposes of determining Covered Entity's compliance with the Applicable Law. Except to the extent prohibited by law, Business Associate agrees to notify Covered Entity of all requests served upon Business Associate for information or documentation by or on behalf of the Secretary. Business Associate shall provide to Covered Entity a copy of any PHI that Business Associate provides to the Secretary concurrently with providing such PHI to the Secretary.

b. Public Access and Ownership of Records. Covered Entity is a local agency subject to the Public Records Act, Government Code § 6250 et seq. ("PRA"). In the event that Business Associate receives a request for records prepared, owned, used, or retained by Covered Entity or for records prepared, owned, used, or retained by Business Associate in the course and scope of providing the services for Covered Entity described in the Agreement as amended from time to time ("PRA Request"), Business Associate shall promptly forward a copy of the PRA Request to Covered Entity for fulfillment by the Covered Entity. Business Associate understands and agrees that all records produced under the Agreement as amended from time to time are hereby the property of Covered Entity and cannot be used without Covered Entity's express written permission. Covered Entity shall have all right, title and interest in said records, including the right to secure and

maintain the copyright, trademark and/or patent of said records in the name of the Covered Entity.

c. Minimum Necessary. To the extent required by the HITECH Act and Regulations, Business Associate shall limit its Use, Disclosure or request of PHI to the Limited Data Set or, if needed, to the minimum necessary to accomplish the intended Use, Disclosure or request, respectively. Effective on the date the Secretary issues guidance on what constitutes "minimum necessary" for purposes of the Applicable Law, Business Associate shall limit its Use, Disclosure or request of PHI to only the minimum necessary as set forth in such guidance.

d. State Privacy Laws. Business Associate shall comply with California laws to the extent that such state privacy laws are not preempted by Applicable Law.

e. No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

f. Effect on Underlying Arrangement. In the event of any conflict between this BAA and any underlying arrangement between Covered Entity and Business Associate, including the Agreements as amended from time to time, the terms of the BAA shall control with respect to Protected Health Information.

g. Interpretation. This BAA shall be interpreted as broadly as necessary to implement and comply with Applicable Law. The Parties agree that any ambiguity in the BAA shall be resolved in favor of a meaning that complies and is consistent with the Applicable Law.

h. Governing Law. This BAA shall be construed in accordance with the laws of the State of California.

i. Provisions Required by Law Deemed Inserted. Each and every provision of law and clause required by law to be inserted in this BAA shall be deemed to be inserted herein and this BAA shall be read and enforced as though it were included therein.

j. Severability. In the event that any provision of this BAA shall be construed to be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions hereof, but such illegal or invalid provision shall be fully severable and this BAA shall be construed and enforced as if such illegal or invalid provision had never been included herein, unless to do so would frustrate the intent and purpose of this BAA.

ATTACHMENT A

OPERATIONS PLAN

1. An Operations Steering Committee will be created and will comprise of designated subject matter experts and the appropriate operational leaders from each agency to review, track, recommend, and implement changes as needed to execute this contract.

2. Operations Steering Committee meetings shall be recorded and meeting minutes taken and shared with both parties.

3. The CONFIRE ECN will receive the caller's name and call-back telephone number prior to the Ontario EMD disconnecting the line upon transfer.

4. The CONFIRE ECN will process the call-per-standing policy, procedure, and protocol using LowCode to obtain a recommended care level, offering appropriate resources from the directory of services provided and maintained by CONFIRE.

5. In the event the caller requires an emergency response or requires a non-emergent ambulance, the ECN will warm transfer the caller, using the designated Ontario Communications telephone line, introduce the patient, provide any relevant clinical information, caller's address, and phone number prior to disconnecting.

6. CONFIRE will provide an ECN to receive calls via the designated Ontario Communications telephone line.

7. CONFIRE will notify Ontario Communications Center of any anticipated or unanticipated changes in staffing levels.

8. CONFIRE will work to provide 7 days a week coverage.

9. CONFIRE will conduct quality assurance audits, training, and clinical surveillance as per IAED requirements, Clinical standards and practices and per medical director’s direction.

10. CONFIRE will perform any necessary on-going training to ensure ECNs remain informed and competent to efficiently and safely process Ontario Communication’s calls for service.

11. A "system down" or "critical infrastructure" failure procedure will be agreed upon and mutually drafted by the "Operations Steering Committee" to be implemented prior to "go-live."

12. CONFIRE will provide a monthly performance report to Ontario Communications with elements mutually agreed upon in the Operations Steering Committee.

13. Contacts, services, rates, operating procedures, technology, staffing and other necessary and integral components of this agreement to execute this contract should be reviewed with regular frequency, minimally every 6 months.

14. CONFIRE and Ontario Communication's designated medical directors will review and approve the IAED approved ALPHA and OMEGA EMD determinates that are eligible to be transferred to the CONFIRE ECN. Review and approval will occur annually in addition to any time a determinate is added.

ATTACHMENT B

TECHNOLOGY PLAN

1. Ontario Communications will provide CONFIRE a designated direct telephone line to warm transfer calls for service in their jurisdiction.

2. CONFIRE will provide Ontario Communications a designated direct telephone line to warm transfer mutually agreed upon and approved IAED ALPHA and OMEGA calls.

3. CONFIRE will record all ECN encounters, to the extent possible and within the confines of the existing technology, allowing for any unforeseen temporary interruptions.

4. CONFIRE will appoint an appropriate and qualified Information Technology representative to work collaboratively with Ontario Communications to ensure proper execution of this contract.

5. Ontario Communications will appoint an appropriate and qualified Information Technology representative to work collaboratively with CONFIRE to ensure proper execution of this contract.

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Daniel P Beers Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Bonnie Tam, Andrea Ampig Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 12

SUBJECT: **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH RMA GROUP FOR ON-CALL GEOTECHNICAL CONSULTING AND MATERIALS TESTING SERVICES FOR THE ONTARIO SPORTS EMPIRE**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 2 to the Professional Services Agreement with RMA Group, of Rancho Cucamonga, California, to provide on-call geotechnical consulting, materials testing, and special inspection services for the Ontario Sports Empire in the amount of $997,740 for a total not-to-exceed contract amount of $3,440,100; 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:
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

FISCAL IMPACT: The proposed Amendment No. 2 to the Professional Services Agreement with RMA Group for on-call geotechnical consulting, materials testing, and special inspection services is in the amount of $997,740 for a total not-to-exceed contract amount of $3,440,100. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Projects-Measure Q Fund for the Ontario Sports Empire project.

BACKGROUND & ANALYSIS: On October 15, 2024, the City Council approved Amendment No. 1 to the Professional Services Agreement with RMA Group to provide geotechnical consulting, materials testing, and special inspection services for Phase 1 of the Ontario Sports Empire project. Now that construction of the Professional Baseball Stadium, Parking Structure, and Offsite Improvements have commenced, the sites require geotechnical consulting, materials testing, and special inspection services.

Staff recommends approving Amendment No. 2 to the Professional Services Agreement with RMA Group to perform compaction testing, fenestration testing, and other special inspection services for the additional sites at the Ontario Sports Empire.

Further competition is not in the public interest because the contemplated amendment merely continues the consultant's work on an existing project. Were another consultant to be utilized, it would result in increases in expenses, delays, and inefficiencies as a result of the loss of continuity.

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. 2 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND RMA GROUP

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 **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 include compaction testing, fenestration testing and special inspection for D&C23-011 Professional Baseball Stadium and increase the amount by $997,740 for a new not-to-exceed amount of $3,440,100.

2.3 Amendment Authority. This Amendment No. 2 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"

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. 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 **Three Million Four Hundred Forty Thousand and One Hundred Dollars ($3,440,100)** 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 amended 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 PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND RMA GROUP

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 Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

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-P

September 26, 2025

City of Ontario
1425 S Bon View Ave.
Ontario, CA 91761

Attention: Daniel Beers,

Subject: Contract Amendment for 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 proposed contract amendment to provide construction inspection and testing services for the Ontario Sports Park Construction Testing and Inspection project.

The continuing work at the project includes the completion of the baseball stadium and surrounding amenities, the sports fields to the west and south and the infrastructure on the public roads surrounding the project as well as those within the project.

Scope of Work

A detailed description of the tasks required to complete the remaining project 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 surrounding public street right of way. Ongoing work includes the utility installation around the baseball stadium, parking structure, baseball/softball and soccer fields, soccer field drainage and subgrade in preparation of the field turf installation, footing excavations for canopies around the fields, pavement subgrade and base placement for asphalt, concrete and concrete paver pavements, storm drain along future Vineyard Avenue

Compaction Testing for Asphalt Concrete Pavements

Work still to be completed includes paving of the interior streets, completion of paving of onsite parking lots and paving of surrounding public streets including the full section of Vineyard Avenue along the west side of the site and the repaving of Riverside Avenue on the north side of the site.

Special Inspection and Testing of Reinforced Concrete Construction

Work still to be completed includes various concrete placements including curb and gutter for the parking lots and interior and exterior streets, and concrete site paving for both vehicular traffic and pedestrian traffic and sewer and storm drain manhole structures. Other sitework concrete work still ongoing includes concrete seatwalls around the baseball/softball and soccer fields, caisson foundation for the canopy footing around the baseball/softball and soccer fields along with light pole footings. Construction of these elements around the soccer fields is ongoing and the baseball/softball will be starting in the near future.

Special Inspection of Structural Steel Construction

Welding inspections continue for elements within the stadium including steel fencing atop masonry walls, welds for stadium seating guardrails, structural steel fitment and welding around the stadium, including Building G where RFI work is currently be done due to conflicts between some of the steel elements and utilities, installation of seating supports, canopy frames at the service and hospitality buildings.

Special Inspection and Testing of Post Installed Anchors

Continuing inspection of the installation of post installed anchor for the fields service and hospitality buildings and for various mechanical equipment anchorages and seating anchors.

Fenestration Testing

We have been requested to provide this scope of work that includes performing field tests of installed fenestration to assess water penetration and air leakage performance of selected test specimens of the storefront windows around the stadium. Specimens will be tested in accordance with ASTM E1105, ASTM E783 and test parameters as described within AAMA 501.2, AAMA 502, AAMA 503, and AAMA 511, as appropriate to each test specimen selected for testing. Testing in accordance with AAMA 502, 503, and 511 (ASTM E1105 and ASTM E783) will be performed on sample storefront, curtainwall, and aluminum/vinyl/fiberglass inset windows as necessary to assess each typical configuration. AAMA 501.2 testing will be performed on storefront or curtainwall as appropriate for installed conditions. Testing performed will be at the direction of, and based on parameters set by, the design team within project documents. This scope includes written reports containing all test data required by project requirements, prevailing ASTM, and local jurisdiction.

Should the parameters for testing not be specified as part of project documents, this scope of work will also include reviewing construction documents to identify the typical conditions of each type of fenestration, design pressures and making recommendation for frequency and location of testing.

This scope assumes a single onsite visit or remote meeting before the test date to review specimen conditions, determine parameters required for successful testing, and level of effort needed to coordinate day-of test responsibilities, as appropriate for selected test specimens.

Our scope covers all necessary equipment and personnel for conducting the selected field tests. Our scope assumes that necessary access, coordination with affected sub trades, and confirmation that specimens are ready for testing is the responsibility of the test sponsor or their agent or contractor. Our scope assumes the contractor will provide an onsite water supply, adequate access to test specimens, electricity, and scaffold or lift equipment for any fenestration 10+ feet over exterior grade level.

In the event of a failed leakage test, additional testing is available in a timely manner at an additional cost. We will perform subsequent testing of non-conforming results once we receive a signed amended contract outlining the required conditions to perform the follow-up 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 and final reports at the conclusion of work or as requested.

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 and our existing agreement. Our estimates is as follows and further detailed in the attached estimate worksheets:

Construction Activity	Estimated Costs
Compaction Testing of Trench Backfill and Street Improvements	$381,840.00
Compaction Testing for Asphalt Concrete Pavements	$45,090.00
Special Inspection and Testing of Reinforced Concrete Construction	$210,050.00
Special Inspection of Structural Steel Construction	$175,980.00
Special Inspection and Testing of Post Installed Anchors	$76,620.00
Fenestration Testing	$11,760.00
Project Administration, Engineering Oversight, and Reporting	$96,400.00
Total	**$997,740.00**

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
Pick-up and Delivery of Test Specimens	40	HR	$126.00	$5,040.00
Soils Engineering Technician	2,000	HR	$136.50	$273,000.00
ASTM D1557 Max Density Optimum Moisture	20	EA	$395.00	$7,900.00
Nuclear Density Test Gauge	280	Unit	$50.00	$14,000.00
Soils Engineering Technician Overtime	400	HR	$204.75	$81,900.00
	Subtotal			**$381,840.00**

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Estimate Worksheet
Compaction Testing for Asphalt Concrete Pavements

Item	Quantity	Unit	Unit Price	Total
Public Works Inspector - Asphalt Paving	160	HR	$136.50	$21,840.00
Public Works Inspector - Asphalt Paving Overtime	80	HR	$204.75	$16,380.00
Pick-up and Delivery of Test Specimens	20	HR	$126.00	$2,520.00
ASTM D2041 Maximum Theoretical Density	6	EA	$350.00	$2,100.00
Nuclear Density Test Gauge	45	Unit	$50.00	$2,250.00
	Subtotal			**$45,090.00**

Estimate Worksheet
Special Inspection and Testing of Reinforced Concrete Construction

Item	Quantity	Unit	Unit Price	Total
Pick-up and Delivery of Test Specimens	100	HR	$126.00	$12,600.00
Special Inspector Reinforced Concrete	800	HR	$136.50	$109,200.00
ACI Concrete Technician	400	HR	$136.50	$54,600.00
ASTM C39 Concrete Cyl Cured or Tested	600	EA	$55.00	$33,000.00
ASTM A370 Rebar Tension up to #8	5	EA	$70.00	$350.00
ASTM A370 Bend Test Rebar up to #8	5	EA	$60.00	$300.00
	Subtotal			**$210,050.00**

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Estimate Worksheet
Special Inspection of Structural Steel Construction

Item	Quantity	Unit	Unit Price	Total
AWS Certified Welding Inspector- Field	800	HR	$136.50	$109,200.00
Non Destructive Testing ASNT Level II	240	HR	$141.75	$34,020.00
Special Inspector High Strength Bolting	240	HR	$136.50	$32,760.00
	Subtotal			**$175,980.00**

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Estimate Worksheet
Special Inspection and Testing of Post Installed Anchors

Item	Quantity	Unit	Unit Price	Total
Special Inspector Post Installed Anchors	280	HR	$136.50	$38,220.00
Pull | Torque Testing Technician	280	HR	$136.50	$38,220.00
Proof Load Testing Equipment	1	DAY	$180.00	$180.00
	Subtotal			**$76,620.00**

Estimate Worksheet
Fenestration Testing

Item	Quantity	Unit	Unit Price	Total
Building Envelope Inspector	80	HR	$147.00	$11,760.00
	Subtotal			**$11,760.00**

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Estimate Worksheet
Project Administration, Engineering Oversight, and Reporting

Item	Quantity	Unit	Unit Price	Total
Project Manager - Office	140	HR	$200.00	$28,000.00
Project Engineer - Office	120	HR	$220.00	$26,400.00
Project Geologist - Office	120	HR	$200.00	$24,000.00
Administrative	200	HR	$90.00	$18,000.00
	Subtotal			**$96,400.00**

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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
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
Building Envelope Consultant	HR	Quote

Personnel Charges - Field Staff

Product Name	Units	Rate ($)
Soils Engineering Technician	HR	$136.50
Soils Technician Compaction Testing	HR	$136.50
Soils Technician Rough Grading	HR	$136.50
Soils Technician Retesting	HR	$130.00
Public Works Inspector	HR	$136.50
Public Works Technician	HR	$136.50
Public Works Inspector - Asphalt Paving	HR	$136.50
Public Works Inspector - Asphalt Plant	HR	$136.50
Public Works Inspector - Concrete Paving	HR	$136.50
Public Works Inspector - Concrete Plant	HR	$136.50
Public Works Technician - Asphalt	HR	$136.50
Public Works Technician - Concrete	HR	$136.50
Laboratory Technician - Field Lab	HR	$126.00
Lead Roadway and Structures Inspector	HR	$140.00

Structures Inspector	HR	$140.00
Roadway Inspector	HR	$140.00
Civil Inspector	HR	$140.00
Building Inspector	HR	$147.00
Special Inspector (ICC)	HR	$136.50
Mechanical | Electrical Inspector	HR	$152.25
Special Inspector Reinforced Concrete	HR	$136.50
Special Inspector Prestressed Concrete	HR	$136.50
Special Inspector Concrete Batch Plant	HR	$136.50
ACI Concrete Technician	HR	$136.50
Pick-up and Delivery of Test Specimens	HR	$126.00
ID Reinforcing or Structural Steel	HR	$136.50
Special Inspector Fire Proofing	HR	$136.50
Special Inspector Post Installed Anchors	HR	$136.50
Special Inspector Roofing/Waterproofing	HR	$136.50
Special Inspector Masonry	HR	$136.50
Special Inspector Masonry (DSA)	HR	$136.50
Special Inspector Shotcrete	HR	$136.50
Special Inspector Post Tensioned Concrete	HR	$136.50
Special Inspector Fire Stopping	HR	$152.25
AWS Certified Welding Inspector- Field	HR	$136.50
AWS Certified Welding Inspector- Shop	HR	$136.50
Special Inspector Structural Steel	HR	$136.50
Special Inspector High Strength Bolting	HR	$136.50
Special Inspector Wood Construction	HR	$136.50
Non Destructive Testing ASNT Level II	HR	$141.75
Non Destructive Testing ASNT Level III	HR	$262.50
Coatings Technician	HR	$152.25
Special Inspector Fiber Wrap	HR	$136.50
Radiographic Testing Crew	HR	$525.00
Pull | Torque Testing Technician	HR	$136.50
Project Inspector (IOR)	HR	$152.25
Asphalt Coring	HR	$141.75
Concrete Coring	HR	$141.75
Horizontal Wall Coring	HR	$141.75
Assistant Wall Coring	HR	$130.00
Lead Utility Location Technician	HR	$157.50
Lead Concrete Scanning Technician	HR	$157.50
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
Building Envelope Inspector	HR	$147.00
Reinforced Polymer Special Inspector	HR	$150.00

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 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

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 Concrete Cyl Cured or Tested	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
T 336 Coefficient of Thermal 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
CT 52-1-08C 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 up to #8	EA	$550.00
CT670 Operator Qualification #9 - #11	EA	$675.00
CT670 Operator Qualification #14	EA	$950.00
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
Mobile Laboratory Trailer Mobilization	EA	$2,500.00
Mobile Laboratory Trailer & Testing Equipment	DAY	$700.00
Stationary Laboratory Trailer & Testing 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
Torque Wrench	DAY	$100.00
Proof Load Testing Equipment	DAY	$180.00
Drilling Equip Mobilization / De-Mob	EA	$800.00
ASTM C1028 Coefficient of Friction	DAY	$1,000.00
Mini Environmental Quality Meter	DAY	$400.00
Inertial Profiler	DAY	$2,000.00
Holiday Tester	DAY	$250.00
VOC Meter	DAY	$200.00
Floor Flatness Testing	Day	$2,900.00
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

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.

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Gil H Mars Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Bonnie Tam, Andrea Ampig Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 13

SUBJECT: **AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH FREDERICK FISHER & PARTNERS, ARCHITECTS FOR THE ONTARIO MUSEUM OF HISTORY AND ART NORTH WING GALLERY UPGRADE**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 2 to the Design Services Agreement with Frederick Fisher & Partners, Architects, of Los Angeles, California, for additional work for the North Wing Gallery of the Ontario Museum of History and Art in the amount of $30,755 for a total not-to-exceed contract amount of $467,464; 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:
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
Operate in a Businesslike Manner

FISCAL IMPACT: The proposed Amendment No. 2 to the Design Services Agreement with Frederick Fisher & Partners, Architects is in the amount of $30,755 for a total not-to-exceed contract amount of $467,464. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Projects-Measure Q Fund for the North Wing Gallery upgrade.

BACKGROUND & ANALYSIS: On April 15, 2025, the City Council approved Amendment No. 1 to the Design Services Agreement with Frederick Fisher & Partners, Architects for design services including flooring, lighting, electrical, and heating, ventilation, and air conditioning (HVAC) system upgrades. The recommended Amendment No. 2 increases the scope of work to allow for the design of

additional structural work and an additional HVAC system at the North Wing Gallery.

These upgrades to the North Wing Gallery not only modernize the space but provide the Ontario Museum of History and Art with an opportunity for enhanced programming. The Ontario Museum of History and Art has entered into an agreement with the Los Angeles County Museum of Art to host a traveling exhibition at the North Wing Gallery in 2027.

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. 2 TO THE DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND FREDERICK FISHER & PARTNERS, ARCHITECTS

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 **Frederick Fisher & Partners**, **Architects**, a corporation. 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 "Model Design Services Agreement" dated October 15, 2024 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to provide additional scope of work for D&C23-009 Museum Improvements to the North Wing Gallery of the Ontario Museum of History and Art increasing the amount by T**hirty Thousand Seven Hundred Fifty-Five Dollars ($30,755)** for a new total not-to-exceed compensation amount of **Four Hundred Sixty-Seven Thousand Four Hundred Sixty-Four Dollars ($467,464)**. The Parties have heretofore entered into that Amendment No. 1 dated April 15, 2025.

2.3 Amendment Authority. This Amendment No. 2 is authorized pursuant to Section 3.37 of the Agreement.

3. Terms.

3.1 Amendment. Section 3.1.1 and Section 3.10.1 of the Agreement is hereby amended in its entirety to read as follows:

> "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 architectural 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."

"3.10.1 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 **Four Hundred Sixty-Seven Thousand Four Hundred Sixty-Four Dollars ($467,464)** ("Total Compensation")**.** This Total Compensation amount shall be based upon the combined fee schedule attached hereto as "Exhibit B" and incorporated herein for reference. The Total Compensation, as may be adjusted upon mutual agreement, shall constitute complete and adequate payment for Services under this Agreement."

Exhibit A 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. 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 DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND FREDERICK FISHER & PARTNERS, ARCHITECTS

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 Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

FREDERICK FISHER & PARTNERS, ARCHITECTS

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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

Attachment A

Frederick Fisher and Partners

Hector Semidey
Project Manager

Ontario Museum of History and Art
Att: Gil Mars
Design & Construction Project Manager
1333 S. Bon View, Ontario CA 91761

01 October, 2025

OMHA Additional Services-01

Dear Gil:

See attached add services for the OMHA North Gallery Project. This change order covers the 10% administrative fee not included in the original approved project fee. It also includes a change order for additional structural engineering services associated to the North Gallery renovation.

COMBINED FEE

Ontario Museum of History and Art FF&P 10% Administrative fee		
Mechanical / T24 Energy Modeling	$39,353	$3,935.30
Electrical	$44,313	$4,431.30
Plumbing	$17,073	$1,707.30
Data/Telecom/Low Voltage/AV	$18,970	$1,897.00
Structural	$5,000	$500.00
Landscape Design-Concept	$22,000	$2,200.00
Lighting Design	$23,000	$2,300.00
Commissioning	$12,000	$1,200.00

Additional Structural Scope	$3,000	$300.00
Total Combined		**$21,470.90**

INVOICING

Invoices are due and payable upon receipt of invoice including reimbursable expenses such as graphic reproduction, travel, mileage and delivery services.

CONDITIONS

1. The Owner shall provide all necessary information and documents in the form of survey, reports and as built drawings required for the architectural services to proceed. If these do not exist, we can recommend as-built companies to provide the necessary drawings.

2. Coordination of additional local permitting processes (outside of the standard building permits) such as architectural review boards, environmental or land use commissions, shall be considered outside the scope of work and will be billed hourly.

3. All fees for permits, reviews, variances, etc. required by the City will be paid directly by the Owner.

4. Billing shall be on a monthly basis, as work is completed. Fees are due and payable upon presentation of invoice. Invoices for projects will be emailed as a pdf file to the Owner's billing or accounts receivable manager, or to the Owner's representative. Original copies are available upon request.

5. This proposal include fees for other consultant services. Additional consultants may be required as project goals are identified.

6. Reimbursable expenses such as graphic reproduction and mileage/parking will be added to our invoice with a 5% markup. We invoice monthly for work performed.

7. All documents furnished by Frederick Fisher and Partners Architects under this proposal are instruments of Architect's services. They are not intended or represented to be suitable for reuse by Owner or others on extensions of the project or on any other project. Any reuse without specific written verification and adaptation by Frederick Fisher and Partners Architects for the specific purposes intended will be at the user's sole risk and without liability or legal exposure to Frederick Fisher and Partners Architects.

8. Frederick Fisher and Partners Architects (FF&P) is a licensed Architect in the State of California #C10281.

9. Consultants will be under contract with FF&P. There will be an additional 10% fee added to consultants' invoices/fees for coordination and handling of consultants' fees.

10. FF&P will submit drawings for permit and will respond to plan check comments as needed.

If you have any questions regarding this proposal, please do not hesitate to contact me.

Sincerely,



Hector Semidey
Project Manager

Accepted by _____

On this date of _____

Frederick Fisher and Partners

Hector Semidey
Project Manager

Ontario Museum of History and Art
Att: Gil Mars
Design & Construction Project Manager
1333 S. Bon View, Ontario CA 91761

19 September 2025

OMHA Additional Services 02-Deferred Maintenance:
Deferred maintenance proposal to upgrade existing HVAC systems at OMHA South Galleries.

Dear Gil:

Per OMHA's request, see attached add services from P2S to address HVAC replacement for South Gallery. Included is a proposal from RWDI to conduct a sound study for the City Council Chambers.

COMBINED FEE

Ontario Museum of History and Art **Deferred Maintenance-HVAC Project**	
P2S: Mechanical, Electrical and Plumbing	$6,100
FF&P Coordination	$2,340
10% Administrative Fee	$844
Total Basic Services	**$9,284**

INVOICING

Billing shall be invoiced as work is completed. Invoices are due and payable upon receipt of invoice including reimbursable expenses such as graphic reproduction, travel, mileage and delivery services.

Our hourly rates for the work are as follows:

Fred Fisher	- $400 per hour
Joe Coriaty	- $295 per hour
Project Manager/Architect	- $180 per hour
Project Designer	- $160 per hour
Project Assistant	- $140 per hour

CONDITIONS

1. The Owner shall provide all necessary information and documents in the form of survey, reports and as built drawings required for the architectural services to proceed. If these do not exist, we can recommend as-built companies to provide the necessary drawings.

2. Coordination of additional local permitting processes (outside of the standard building permits) such as architectural review boards, environmental or land use commissions, shall be considered outside the scope of work and will be billed hourly.

3. All fees for permits, reviews, variances, etc. required by the City will be paid directly by the Owner.

4. Billing shall be on a monthly basis, as work is completed. Fees are due and payable upon presentation of invoice. Invoices for projects will be emailed as a pdf file to the Owner's billing or accounts receivable manager, or to the Owner's representative. Original copies are available upon request.

5. This proposal include fees for other consultant services. Additional consultants may be required as project goals are identified.

6. Reimbursable expenses such as graphic reproduction and mileage/parking will be added to our invoice with a 5% markup. We invoice monthly for work performed.

7. All documents furnished by Frederick Fisher and Partners Architects under this proposal are instruments of Architect's services. They are not intended or represented to be suitable for reuse by Owner or others on extensions of the project or on any other project. Any reuse without specific written verification and adaptation by Frederick Fisher and Partners Architects for the specific purposes intended will be at the user's sole risk and without liability or legal exposure to Frederick Fisher and Partners Architects.

8. Frederick Fisher and Partners Architects (FF&P) is a licensed Architect in the State of California #C10281.

9. Consultants will be under contract with FF&P. There will be an additional 10% fee added to consultants' invoices/fees for coordination and handling of consultants' fees.

10. FF&P will submit drawings for permit and will respond to plan check comments as needed. It is our understanding that improvements to south gallery HVAC system will be issued as part of the North Gallery permit set. If a second permit submittal is required, FF&P may request additional services.

We look forward to working with you on this deferred maintenance project. If you have any questions regarding this proposal, please do not hesitate to contact me.

Sincerely,



Hector Semidey
Project Manager

Accepted by _____

On this date of _____

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Police Department Prepared By: Nicole Alvarez Department: Prepared By: Nicole Alvarez Staff Member Presenting: Mike Lorenz, Chief of Police Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 14

SUBJECT: ACCEPT AND APPROVE LAW ENFORCEMENT GRANT PROGRAM ADDITIONAL AWARD FOR FISCAL YEAR 2024-25

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute all documents necessary to accept and approve the Citizen's Option for Public Safety (COPS) /Enhancing Law Enforcement Activities Subaccount (ELEAS) Grant growth payment for Fiscal Year 2024-25 in the amount of $284,159.13.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: On November 5, 2024, the City Council approved the acceptance of the Citizen's Option for Public Safety (COPS) /Enhancing Law Enforcement Activities Subaccount (ELEAS) Grant for Fiscal Year 2024-25 in the amount of $279,859. The program has since awarded the City an additional $284,159.13 reallocated from actuals received from the State's Vehicle License Fee (VLF) revenue for Fiscal Year 2024-25. If approved, the associated revenue and appropriations will be included in the grants fund at a future quarterly budget update to City Council.

BACKGROUND & ANALYSIS: Beginning in Fiscal Year 2002-03, the State of California allocated grant monies Citizen's Option for Public Safety (COPS) / Enhancing Law Enforcement Activities Subaccount (ELEAS), formerly known as Supplemental Law Enforcement Services Fund to counties. The County granted those monies to cities for the purpose of supporting front-line law enforcement needs including but not limited to equipment and training.

On September 24, 2024, the California State Department of Finance announced the estimated funding allocation amounts to be awarded to each participating agency under the COPS/ ELEAS grant program. The City of Ontario is eligible to receive a maximum grant award of $279,859. If approved, the associated revenue and expenditure adjustments will be presented to Council in the next quarterly budget adjustment.

San Bernardino County
Auditor-Controller\Treasurer\Tax Collector
Management Services Section

INV #: 2025-COPS-GROWTH
INV Date: 10/7/2025

CITIZENS' OPTION FOR PUBLIC SAFETY (COPS)
ENHANCING LAW ENFORCEMENT ACTIVITIES SUBACCOUNT (ELEAS)
FISCAL YEAR 2024-2025
GROWTH STATE PAYMENT DISTRIBUTION AMOUNTS - OCTOBER 2025

	Beginning Unpaid COPS Allocation	Current COPS Allocation	Interest Payment	Total Current Distribution	Ending Unpaid COPS Allocation
San Bernardino County District Attorney	$ 621,333.61	$ 621,333.61	$ 518.91	$ 621,852.52	$ -
San Bernardino County Jail Operation (Sheriff)	621,333.61	621,333.61	518.91	621,852.52	-
Frontline Law Enforcement (Including Unincorporated)	4,080,471.39	4,080,471.39	3,407.66	4,083,879.05	-
San Bernardino County Auditor-Controller/Treasurer/Tax Collector	8,563.34	8,563.34	7.17	8,570.51	-
TOTAL DISTRIBUTED	**$ 5,331,701.95**	**$ 5,331,701.95**	**$ 4,452.65**	**$ 5,336,154.60**	**$ -**
Frontline Law Enforcement Allocation:					
San Bernardino County - Unincorporated	$ 461,437.42	$ 461,437.42	$ 385.53	$ 461,822.95	$ -
Cities & Towns:					
Adelanto*	101,536.61	101,536.61	84.78	101,621.39	-
Apple Valley*	116,536.86	116,536.86	97.33	116,634.19	-
Barstow*	101,536.61	101,536.61	84.78	101,621.39	-
Big Bear Lake*	101,536.61	101,536.61	84.78	101,621.39	-
Chino*	145,173.23	145,173.23	121.25	145,294.48	-
Chino Hills*	119,817.11	119,817.11	100.05	119,917.16	-
Colton*	101,536.61	101,536.61	84.78	101,621.39	-
Fontana*	335,901.55	335,901.55	280.52	336,182.07	-
Grand Terrace*	101,536.61	101,536.61	84.78	101,621.39	-
Hesperia*	156,936.37	156,936.37	131.04	157,067.41	-
Highland*	101,536.61	101,536.61	84.78	101,621.39	-
Loma Linda*	101,536.61	101,536.61	84.78	101,621.39	-
Montclair*	101,536.61	101,536.61	84.78	101,621.39	-
Needles**	101,536.61	101,536.61	84.78	101,621.39	-
Ontario*	284,159.13	284,159.13	237.33	284,396.46	-
Rancho Cucamonga*	271,759.40	271,759.40	226.95	271,986.35	-
Redlands*	113,987.29	113,987.29	95.20	114,082.49	-
Rialto*	161,656.05	161,656.05	135.00	161,791.05	-
San Bernardino City*	355,216.16	355,216.16	296.64	355,512.80	-
Twentynine Palms*	101,536.61	101,536.61	84.78	101,621.39	-
Upland**	122,750.84	122,750.84	102.50	122,853.34	-
Victorville*	216,700.66	216,700.66	180.96	216,881.62	-
Yucaipa*	101,536.61	101,536.61	84.78	101,621.39	-
Yucca Valley*	101,536.61	101,536.61	84.78	101,621.39	-
Total San Bernardino County Unincorporated/Cities/Towns	$ 4,080,471.39	$ 4,080,471.39	$ 3,407.66	$ 4,083,879.05	$ -
Less: San Bernardino County - Unincorporated	(461,437.42)			(461,822.95)	-
Total Cities & Towns	**$ 3,619,033.97**			**$ 3,622,056.10**	**$ -**

Distribution of Current County Share:	
San Bernardino County District Attorney	$ 621,852.52
San Bernardino County Jail Operation (Sheriff)	621,852.52
Frontline Law Enforcement - Unincorporated	461,822.95
San Bernardino County Auditor-Controller/Treasurer/Tax Collector	8,570.51
Total County Share	**$ 1,714,098.50**
Grand Total Distribution - County/Cities/Towns	**$ 5,336,154.60**

Method of Payment
* Electronic Fund Transfer ** Manual Warrant

For further questions regarding COPS ELEAS allocations, please contact the Office of Auditor-Controller/Treasurer/Tax Collector's Julie Ma, Accountant at (909) 382-7069 or Julie.Ma@sbcountyatc.gov.

Sincerely,

Alejandra Villalobos
Management Services Manager

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Courtney Jones 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: 15

SUBJECT: A PROFESSIONAL SERVICES AGREEMENT WITH ARCADIS U.S. INC. FOR THE DEVELOPMENT OF A WATER RESOURCES OPTIMIZATION PLAN

RECOMMENDATION: That the City Council authorize the City Manager, or designee, to execute a three-year Professional Services Agreement with Arcadis U.S. Inc., of Los Angeles, California, for the development of a Water Resources Optimization Plan for a not-to-exceed amount of $1,579,488 and a term from November 18, 2025 to November 17, 2028, with the option to extend the Agreement for up to two additional one-year terms consistent with City Council approved budgets.

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)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The proposed three-year Agreement is for a not-to-exceed amount of $1,579,488. At the City's discretion, up to two additional one-year extensions may be executed to complete the proposed scope of work.

Pricing for the first year is fixed and based on a negotiated billing rate sheet and proposal. Fee increases after the first year will be negotiated but will not exceed 5% per year. Actual expenses will be based on billing rates and services rendered.

The Fiscal Year 2025-26 Adopted Budget includes $250,000 from the Water and Sewer Operating Funds for these services. If the Agreement is approved, additional appropriations in the Water and Sewer Operating Funds will be included in future quarterly budget updates and proposed annual budgets for City Council consideration and approval. There is no impact to the General Fund.

BACKGROUND & ANALYSIS: Ontario's current water supply portfolio consists of approximately 16% imported treated surface water, 60% groundwater, and 24% recycled water. Potable water is delivered to approximately 185,000 residents through more than 40,000 service connections. Recycled water is primarily used for agricultural and landscape irrigation to reduce the demand on potable water. However, it is also utilized in commercial and industrial settings, with over 600 recycled water connections currently in operation.

As the City anticipates significant growth over the next 30 years, particularly in the Ontario Ranch area, located south of Riverside Drive (Exhibit A), the total population is projected to exceed 400,000 by 2050. To address this expected growth, the City must proactively evaluate and enhance its water supply portfolio to ensure reliable service and long-term sustainability.

The Water Resources Optimization Plan provides a comprehensive evaluation of the City's existing water sources and their current utilization with the goal of enhancing water resource management and resilience. It includes the following key elements:

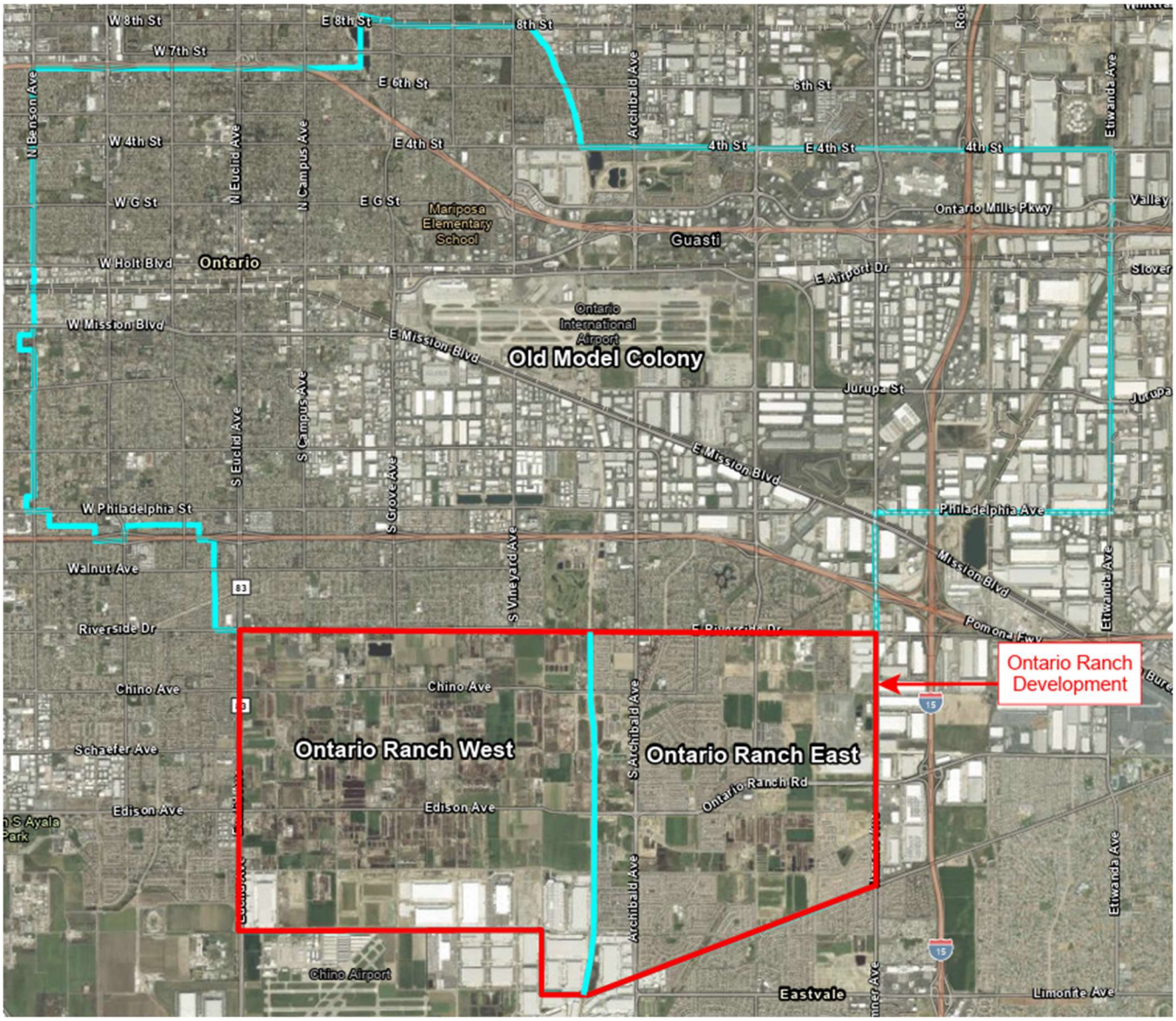
- An assessment of the condition and sustainability of the City's potable and recycled water supplies.
- Evaluate potential future well locations and treatment requirements to ensure reliable and sustainable water supply development.
- A review of interagency agreements to identify opportunities for operational efficiency and streamlined business practices.
- Integration of alternative water supplies to strengthen long-term water security, resiliency, and diversify the City's water portfolio.
- Assess the system's capacity to meet future demands, comply with evolving regulatory requirements, and address climate-related challenges.

On August 18, 2025, the City solicited a Request for Proposal (RFP), Bid No. 1944, on PlanetBids for the development of a Water Resources Optimization Plan and notified over 170 potential vendors. On September 22, 2025, the City received the following three qualified proposals for the Water Resources Optimization Plan:

Firm	**Location**
Arcadis U.S. Inc.	Los Angeles, CA
Hoch Consulting, APC	Oceanside, CA
Stetson Engineers Inc.	San Rafael, CA

Staff reviewed and evaluated each proposal based on experience and performing similar services, understanding of the scope of work, project approach, proposed schedule, and adherence to the RFP. Staff is recommending approval and award of the Professional Services Agreement to Arcadis U.S. Inc. based on their range of expertise, previous work experience, and ability to perform the task.

EXHIBIT A


Ontario Ranch Development
Ontario Ranch West
Ontario Ranch East
Old Model Colony
Ontario
Guasti
Eastvale
Chino Airport
Mariposa Elementary School
Ontario International Airport
W 8th St
E 8th St
8th St
W 7th St
E 6th St
6th St
W 4th St
E 4th St
4th St
W G St
E G St
W Holt Blvd
W Mission Blvd
E Mission Blvd
Jurupa St
Ontario Mills Pkwy
E Airport Dr
W Philadelphia St
Philadelphia Ave
Walnut Ave
Riverside Dr
Chino Ave
Schaefer Ave
Edison Ave
Ontario Ranch Rd
Limonite Ave
N Benson Ave
N Euclid Ave
N Campus Ave
S Euclid Ave
S Campus Ave
S Grove Ave
S Vineyard Ave
S Archibald Ave
Archibald Ave
Etiwanda Ave
Pomona Fwy
Mission Blvd

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

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 **Arcadis U.S., Inc.,** a Corporation, with its principal place of business at 333 South Hope Street, Suite C200, Los Angeles, California 90071 ("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 water resources and optimization 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 development of a Water Resources Optimization Plan ("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 water resources consulting services necessary for the Project ("Services"). The Services 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.

3.1.2 Term. The term of this Agreement shall be from **November 18, 2025 to November 17, 2028**, 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 (2) 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 "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **ONE MILLION FIVE HUNDRED SEVENTY-NINE THOUSAND FOUR HUNDRED EIGHTY-EIGHT DOLLARS ($1,579,488**) 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.

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 "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 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 "B" 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: Christine Cotton, P.E. – Principal in Charge, Ryan Hejka, P.E. – Project Manager, and James Collins, P.E. – Technical Support Lead.

3.3.5 City's Representative. The City hereby designates Chad Nishida, P.E., Water Resources Manager, 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 Ryan Hejka, P.E., Project Manager, 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” or “B” 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.

(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 $1,000,000 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) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Consultant's profession with limits of not less than $2,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). 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.

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: Arcadis U.S., Inc.
333 South Hope Street, Suite C200
Los Angeles, CA 90071

ATTN: Christine Cotton, P.E. - Senior Vice President/Principal in Charge

City: City of Ontario
303 East "B" Street
Ontario, CA 91764
ATTN: Chad Nishida, P.E. – Water Resources Manager

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.

3.8 Federal Provisions. When funding for the services is provided, in whole or in part, by an agency of the federal government, Consultant shall also fully and adequately comply with the provisions included in Exhibit "A-1" (Federal Requirements) attached hereto and incorporated herein by reference ("Federal Requirements"). With respect to any conflict between such Federal Requirements and the terms of this Agreement and/or the provisions of state law, the more stringent requirement shall control.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ARCADIS U.S., 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

ARCADIS U.S., INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

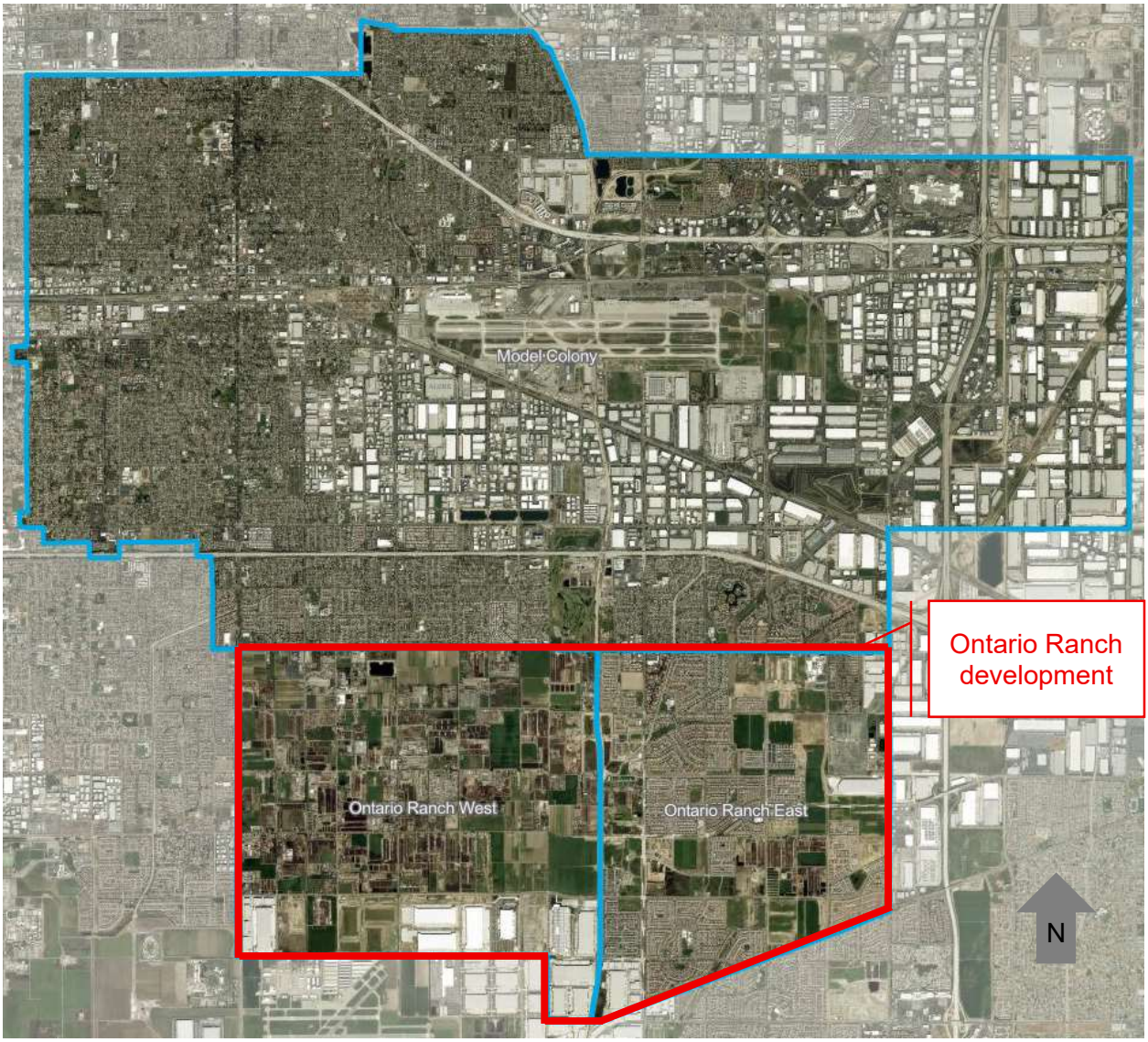
EXHIBIT "A"
SCOPE OF SERVICES

Section 1. Introduction

1.1 City of Ontario

The City of Ontario (City) is a sustained, well-balanced community focusing on growth, development, and stability. *The Ontario Plan 2050* outlines the City's priorities for executing this vision. Over the next 30 years, the City anticipates dynamic growth, particularly in the Ontario Ranch area, south of Riverside Drive (Figure 1). By 2050, the City projects a city-wide residential population of over 400,000 people.

Figure 1: Ontario Ranch development



1.1.1 Ontario Ranch Development

In 1998, the City purchased the majority of the agricultural land formerly known as the "San Bernardino Agricultural Preserve," located near the San Bernardino and Riverside County lines. The San Bernardino Agricultural Preserve was divided in 1999, with portions incorporated into the three adjacent cities of Chino, Chino Hills, and Ontario. Today, the City refers to its portion of the annexed land as "Ontario Ranch," spanning 8,200 acres.

1.2 Water Supply Portfolio

Ontario's water supplies comprise approximately 16% imported treated surface water, 60% groundwater, and 24% recycled water (as of calendar year 2024 operational data). Currently, the City supplies potable water to over 185,000 residents through over 40,000 service connections. Recycled water supplies are primarily used for agricultural and landscape irrigation to offset potable water demands. However, commercial buildings and industrial applications also utilize recycled water. The City has over 600 recycled water connections.

1.2.1 Potable Water

Ontario purchases water from the State Water Project (SWP) through the Metropolitan Water District of Southern California (MWD), via the Inland Empire Utilities Agency (IEUA). The SWP water is treated locally by the Water Facilities Authority (WFA) using conventional water treatment methods. The City is a member agency through a Joint Exercise of Powers Agreement (JPA) and owns 31.4% of the plant's capacity, 25 million gallons (MG).

The San Antonio Water Company (SAWCO) extracts raw groundwater from the Cucamonga Basin and blends it with treated SWP. Ontario owns nearly 4.6% of SAWCO shares and is, on average, allocated approximately 600 acre-feet per year (AFY). Historically, the City utilizes about 6,000 AFY from the combined allocation from WFA and SAWCO.

Raw groundwater is extracted from the Chino Basin through eighteen city-owned active wells. Its potable water facilities comprise three treatment plants designed to reduce perchlorate and nitrate, twelve storage reservoirs with a capacity of 75 MG, five pressure zones, seven booster stations, and seventeen pressure-reducing stations.

Ontario is a member agency of the Chino Basin Desalter Authority (CDA), a JPA, and purchases treated groundwater extracted from the southern portion of the Chino Basin. The water is largely supplied directly from CDA's treatment plant or provided by Jurupa Community Services District's (JCSD's) distribution system. The City's entitlement is 8,533 AFY.

1.2.2 Recycled Water

Recycled water supplies consist of disinfected tertiary-treated recycled water produced by IEUA's regional wastewater treatment facilities. IEUA distributes recycled water to contracting agencies for direct use (e.g., landscape irrigation, agriculture, and industrial). The remaining supplies are used for groundwater recharge or discharged into the Santa Ana River to meet regulatory obligations. Current recycled water usage, on average, exceeds 10,000 AFY and is increasing annually.

The City receives recycled water allocation from IEUA based on the City's sewage generation. In

accordance with the Chino Basin Regional Sewage Service Contract, each Contracting Agency has the right of first purchase of its Base Entitlement. Base Entitlement is the total quantity of sewage delivered into the Regional Sewerage System by the Contracting Agency minus normal processing losses resulting from the treatment of sewage.

Currently, 23% of the recycled water generated from IEUA is entitled to the City for direct use and recharge. Around 75% of the City's recycled water demand is attributed to direct uses, including irrigation for residential, commercial, and agricultural purposes. Agricultural irrigation alone represents approximately one-third of the total recycled water demand. Although agricultural use is expected to decrease as the City expands, a 30% increase from the current demand is anticipated at the time of full build-out.

Section 2. Project Description

The City of Ontario seeks to enhance its water supply portfolio for sustainability and resiliency, particularly in response to continued or future droughts, and anticipated increases in water demand from the Ontario Ranch development. The selected Consultant shall prepare a Water Resources Optimization Plan for the City's water supply portfolio by:

- Evaluating existing water sources to optimize their use.
- Evaluating interagency agreements for enhanced business solutions.
- Assessing the current health of the City's water assets.
- Researching alternative water supplies to provide security, diversification, and flexibility.

The selected Consultant shall perform the following services, including but not limited to:

- Industry-leading expert analyses.
- Develop cost estimates for alternative water sources.
- Recommend integration strategies for the City's existing water systems.
- Prepare a comprehensive written report.

Section 3. Project Expectations

3.1 Meetings

After the contract award, the City and Consultant shall schedule a kick-off meeting. The kick-off meeting shall include staff assigned to perform the functions stated in the Project. The City will prepare an agenda to define expectations, roles, responsibilities, and protocols for reporting and project communications.

Progress meetings shall be in the form of standing meetings conducted every two weeks via an electronic platform. The Consultant shall prepare an agenda and materials to facilitate the discussion, and provide them to the attendees prior to the meeting. The agenda shall include a status narrative of tasks and outstanding items, schedule, the percentage completed, budget, and the projected completion time for each milestone. After each progress meeting, the Consultant shall be responsible for providing meeting minutes that include a summary of the discussed action

items, individuals responsible, and deadlines.

3.2 Quality Assurance and Quality Control

The Consultant shall hire/assign a Quality Control Manager to be responsible for reviewing statistical analysis and technical aspects performed by the Consultant and, if applicable, the Subconsultant, and shall ensure that they are in accordance with industry best practices. The Consultant's Project Manager shall review and certify that furnishable items and data production are accurately completed within the Scope of Work, budget, and schedule prior to issuance to the City.

3.3 Project Management

The Consultant shall be responsible for the following, including but not limited to:

- The Project's Scope of Work
- Staffing resources and Subconsultants
- Time management, schedule, and deadlines
- Budget and invoices
- Meetings and communication

The City reserves the right to modify the Project's schedule, deadlines, milestones, Scope of Work, and budget throughout the contract's performance terms.

3.4 Documents

The City shall provide the latest planning documents and agreements for review by the Consultant upon award of the contract.

Planning documents shall include, but are not limited to, the latest and available versions of the following:

- City of Ontario Water Master Plan (WMP)
- City of Ontario Recycled Water Master Plan (RWMP)
- City of Ontario Sewer Master Plan (SMP)
- City of Ontario Urban Water Management Plan (UWMP)
- City of Ontario Asset Management Implementation Plan
- Urban Water Management Plans from IEUA, MWD, CDA, SAWCO, and WFA
- The Ontario Plan 2050
- Master Engineering Report for the Use of Recycled Water Throughout the City of Ontario Service Area (April 2008)
- Chino Basin Watermaster Water Rights and Reporting Forecast Spreadsheet
- IEUA Integrated Resource Plan
- IEUA Recycled Water Regulatory Summary (November 2023)
- City of Ontario's Domestic Water Supply Permit
- *Drinking Water Source Assessment and Protection Report* for Ontario's groundwater wells
- *Well Completion Report* for Ontario's groundwater wells

- *Results of Drilling, Construction, Testing, and Pump Design Report* for Ontario's groundwater wells

Agreements shall include, but are not limited to:

- Purchase Order Agreement between IEUA and MWD
- WFA Water Purchase Agreement
- CDA Water Purchase Agreement
- Chino Basin Guidance Documents, including summaries of Judgement, Peace I, Peace II, Optimum Basin Management Program, and other relevant Court-Approved Management Agreements.
- IEUA Regional Contract (1994) and, without presuming the applicability or authority of, subsequent IEUA's Ordinances 114/115.
- City of Fontana Groundwater Recharge Purchase Agreement
- Water Purchase Agreement with Western Municipal Water District (WMWD)
- City of Ontario Recycled Water Letter Agreements for Voluntary Agreements
- Historical Settlement Agreements and cleanup Orders related to groundwater

3.5 Deliverables

- By June 30, 2026: Draft 90% Feasibility Study Report for Supplemental Recycled Water Supplies in Ontario Ranch.
- By June 30, 2027: Draft 90% Water Resources Optimization Plan.

3.6 Milestones

- Fiscal Year (FY) 2025-2026:
    - 20% Completion
        - Review the City's RWMP, SMP, and UWMP.
        - Review IEUA's Integrated Resource Plan, RW Program Strategy, and Regulatory Summary.
        - Review UWMPs from IEUA, MWD, CDA, SAWCO, and WFA.
        - Review IEUA's Regional Contract (1994) and, without presuming the applicability or authority of, subsequent IEUA's Ordinances.
        - Review purchase agreements with the City of Fontana and WMWD.
        - Review the City's agricultural Voluntary Agreements.
        - Review the City of Ontario Ordinance No. 3297, Chapters 8C and 8E.
        - Review the Master Engineering Report for the Use of Recycled Water Throughout the City of Ontario Service Area (April 2008).
        - Review *Well Completion Reports* for Ontario's inactive groundwater wells.
        - Review *Drinking Water Source Assessment and Protection Report* for Ontario's inactive groundwater wells.

    40% Completion

        Complete the following tasks:

- 4.2.a through 4.2.c
- 6.1a through 6.1b
- 6.1.1a through 6.1.1e
- 6.2.1a through 6.2.1h
- 6.2.2b through 6.2.2e
- 6.3a through 6.3b
- 7.1c

50% Completion

Draft 90% Feasibility Study Report for Supplemental Recycled Water Supplies in Ontario Ranch.

- FY 2026-2027:
  - 60% Completion
    - Review the City's WMP and *The Ontario Plan 2050*.
    - Review Chino Basin Watermaster's Water Rights and Reporting Forecast spreadsheet.
    - Review summaries of Chino Basin's Judgement, Peace I and II Agreements, the Optimum Basin Management Program, and other summaries relevant Court-Approved Management Agreements. *Note: Prioritization of these items and future applicability are subject to ongoing negotiations.*
    - Review the Purchase Order Agreement between IEUA and MWD.
    - Review water purchase agreements with WFA and CDA.
    - Review City of Ontario's Domestic Water Supply Permit.
    - Review *Well Completion Reports* for Ontario's active groundwater wells.
    - Review *Results of Drilling, Construction, Testing, and Pump Design Report* for Ontario's active groundwater wells.
    - Review *Drinking Water Source Assessment and Protection Report* for Ontario's active groundwater wells.

75% Completion

Complete tasks in the following sections:

- 4.1a through 4.1k
- 4.2d
- 5.1.1a through 5.1.1d
- 5.1.2a through 5.1.2c
- 5.1.3a through 5.1.3c
- 5.1.4a through 5.1.4b
- 5.2.1a through 5.2.1b
- 6.2.2a

- 7.1b
- 9.1a

- 90% Completion

  Draft report sections for optimizing potable water supplies (city-wide)
  Draft report sections for optimizing recycled water supplies (city-wide)

- 100% Completion

  90% Draft Water Resources Optimization Plan

- Optional tasks for FY 2027-2030:
  - 5.3a
  - 6.2.1i
  - 6.2.2f
  - 6.2.3a through 6.2.3d
  - 7.1a
  - 7.1d
  - 8.1a through 8.1b

Section 4. Agreements

4.1 Potable

Task 4.1a: Provide a discussion on operating agreements (potable and recycled water) and business processes performed by different water agencies in California. Limit the evaluation to five agencies with operational complexity comparable to that of the City. The discussion shall summarize each agreement and its amendments, including, but not limited to, volumetric deliveries, water quality goals, costs, vulnerability, and risk.

Task 4.1b: Review existing water operating agreements between the City and the following agencies: WFA, CDA, City of Fontana, SAWCO, Western Municipal Water District (WMWD), MWD (specifically the rate index), and IEUA.

Task 4.1c: Evaluate current agreements with the operational impacts on the City's potable distribution system and provide at least three recommendations for optimal use for each agreement. Include volumetric deliveries, distribution system water quality and goals, and operating costs.

Task 4.1d: Assess the City's WFA, SAWCO, and CDA entitlements for selling and/or other strategic business opportunities and provide at least three recommendations for each source, including operational and financial impacts, vulnerabilities, and risks.

Task 4.1e: Evaluate the City's potable interagency connections with the City of Upland,

Cucamonga Valley Water District (CVWD), City of Chino, and JCSD. Provide at least three recommendations for optimal use, including impacts to the City's potable distribution system.

Task 4.1f: Evaluate the feasibility of potable water connections with the Monte Vista Water District (MVWD) to either supply the City or deliver to MVWD. Include costs, deliveries, distribution system water quality, drinking water goals, and the impacts for both scenarios.

Task 4.1g: Describe agreement requirements and impacts to the City during minimum imported water flows and maximum groundwater production capacities.

Task 4.1h: Identify future business opportunities with other local agencies.

Task 4.1i: Identify data gaps and recommendations for existing and future agreements that were not included in Tasks 4.1a through 4.1h. This includes evaluating potential new partnerships, unaddressed operational or financial impacts, and emerging regional strategies. Provide additional recommendations to enhance water supply reliability, system efficiency, and long-term planning.

Task 4.1j: Prepare a summary table evaluating different supply agreements and groundwater production, including a comparison of entitlement and available production capacity, costs of water (e.g., fixed, variable, and indirect), and operational impacts.

Task 4.1k: Develop a framework for identifying priority use between different water supply agreements under various operating scenarios, such as seasonal and daily peaking, drought conditions, etc.

4.2 Recycled Water

Task 4.2a: Provide a discussion on the IEUA Regional Contract (1994) and, without presuming the applicability or authority of, subsequent IEUA Ordinances. The discussion shall include the following components:

- A summary of the documents
- Entitlements
- Costs
- Vulnerabilities and/or risks

Task 4.2b: Provide a discussion and cost comparison of the current City of Fontana purchase agreement and stored groundwater, with reference to Task 5.1.4. Analyze the financial impact of continued purchases.

Task 4.2c: Identify and summarize recycled water agreements between nearby cities or public agencies and recycled water providers, focusing on terms, pricing, and delivery commitments. Provide a discussion on the flexibility and limitations of each agreement in comparison to those of IEUA's.

Task 4.2d: Incorporate recommendations from the internal rate study regarding the feasibility and financial impact of the City's current recycled water letter agreement program with agricultural members through the Chino Basin Watermaster's Voluntary Agreement.

Section 5. Potable Water

5.1 Existing Sources

5.1.1 Imported Water

Task 5.1.1a: Evaluate the current water quality received from WFA for the need to install chlorinating and automatic flushing units. Identify areas where water quality is degrading in storage facilities and the distribution system, and recommend suitable locations for installing these units. Criteria shall consider the City's storm drain infrastructure and waste discharge permit requirements.

Task 5.1.1b: Evaluate the operational flow ranges of the WFA/SAWCO source, including an analysis of how fixed, variable, and indirect costs correlate with these flow levels. Assess the potential financial and operational vulnerabilities associated with future mandatory drought-related flow reductions.

Task 5.1.1c: Evaluate JCSD/CDA water quality received at the Archibald Booster Station. Assess treatment options for reducing constituent concentrations to achieve public health goals and provide capital and operational and maintenance (O&M) cost estimates.

Task 5.1.1d: Assess additional requirements and infrastructure needed to transfer CDA water to potential partners.

5.1.2 Groundwater Wells & Treatment Facilities

Task 5.1.2a: Evaluate sixteen groundwater wells and two treatment facilities for optimization of use. Discussion shall include, but not be limited to, the following: pumping rates, O&M costs, specific capacity, treatment media, water quality, and efficiency.

Task 5.1.2b: Assess the life cycle of sixteen groundwater wells. Provide recommendations for when rehabilitation is needed and the type. Discussion shall include, but not be limited to:

- Production capacity and redundancy required to meet the current and future growth of the City.
- Efficiency, time of use, and O&M cost estimates.
- Ability to meet water quality standards and emerging contaminants of concern (federal and state concerns).
- Redevelop groundwater wells or construct wellhead treatment.
    - If wellhead treatment is recommended, identify opportunities to utilize a non-reclaimable waste system for on-site media regeneration. Provide permitting requirements and discharge capacity. Assess the technology's impact on distribution system corrosion and residential plumbing for structures classified in the Lead and Copper Rule (LCR) and the revisions. Provide recommendations on inhibitor types, monitoring parameters, and sample locations.

Task 5.1.2c: Assess the life cycle of two treatment facilities. Provide recommendations for the following:

- Existing treatment technologies.
- Existing footprint and infrastructure.
- Production capacity to meet the current and future growth of the City.
- Capital and O&M cost estimates.
- Environmental impacts.
- Ability to meet water quality standards and emerging contaminants of concern (federal and state concerns).

5.1.3 Production

Task 5.1.3a: Identify deficiencies with storage and demand in each pressure zone. Discussion shall include criteria related to distribution system piping, production facilities, water quality, and O&M costs.

Task 5.1.3b: Evaluate the water system's low- and high-demand (i.e., winter vs. summer) related to production and storage. Discussion shall include findings in Task 5.1.2a and provide flowcharts for operating in the most common scenarios. Recommendations shall consist of, but not be limited to, the following criteria:

- Imported deliveries
- Pressure zones
- Booster stations and pressure-reducing stations
- Storage capacity
- Water quality
- SCADA setpoints and flow trends

Task 5.1.3c: Assess the City's groundwater storage account in the Chino Basin. Provide at least three recommendations for utilizing groundwater and minimizing the need for imported water. This discussion should include findings from Tasks 4.1b, 4.1c, and 5.1.3a.

5.1.4 Groundwater Storage

Task 5.1.4a: Review Chino Basin Watermaster storage projection spreadsheets and Guidance Documents. Evaluate the City's groundwater storage account to develop long-term storage management strategies and scenarios involving other agencies. Evaluation shall consist of, but not be limited to:

- Current rate of storage accrual
- Land Use Conversions
- Voluntary Agreements per Task 4.2d
- Replenishment Obligations
- Conservation projections
- Total potable water demand

Task 5.1.4b: Develop strategies to optimize groundwater storage:

- Valuation of water in storage relative to other water supply sources.
- Accounting for historical reductions in the Chino Basin's Safe Yield.

- Reduction in storage resulting from recycled water augmentation
- Assessments on groundwater storage.
- Historical groundwater transaction trends.

5.2 Future Infrastructure

5.2.1 Production facilities

Task 5.2.1a: Evaluate existing groundwater plumes and the effects of water quality on future groundwater wells identified in the WMP. Discuss if wellhead treatment is needed, and if so, provide the following recommendations:

- Treatment technology and media to meet public health goals and drinking water standards.
    - Assess the technology's impact on distribution system corrosion and residential plumbing for structures classified in LCR and the revisions. Provide recommendations on inhibitor types, monitoring parameters, and sample locations.
- Estimate the footprint and infrastructure needed, including centralized treatment.
- Identify if a non-reclaimable waste system is feasible and the required discharge capacity and permitting requirements.
- Ability to meet emerging contaminants of concern (federal and state concerns).
- Identify potential plumes, the possibility of migration/co-mingling, and impacts to abatement responsibilities.
- Permitting requirements, such as Process Memo 97-005 for impaired sources and waste discharge using a non-reclaimable waste system, and developing a plan for Division of Drinking Water (DDW) approval.
- Capital and O&M cost estimates.
- Staff requirements, such as knowledge, certifications, and experience.

Task 5.2.1b: Review the WMP. Provide recommendations on the WMP's content utilizing the following criteria:

- Locations for booster stations, transmission lines, distribution system piping size, pressure reducing stations, storage reservoirs, groundwater wells, and treatment plants.
- Current pressure zone and overall system demand, variations, diurnal patterns, and peaking factors.
- Future demands and variations, including diurnal patterns.
- Additional storage capacity to support the Ontario Ranch development.

5.3 Fate and Transport [Optional]

Task 5.3a: Model existing and future groundwater sources, including potential properties identified in Task 7.1a for fate and transport to identify potentially contaminating activities (PCAs) within five-, ten-, and twenty-year capture zones. The model shall utilize the USEPA's Well Head Protection Area (WHPA) model to delineate the capture zones. Data shall be documented using procedures outlined in California's Drinking Water Source Assessment and Protection Program.

For the potential properties identified in Task 7.1a, the City shall provide default values consistent with the WMP and UWMP.

A separate report shall be generated to include, but not be limited to, the following components:

- A map of the protection zones with PCAs for each well and property.
- Summary of WHPA input parameters for each well and property.
- Delineation of Ground Water Protection Zones Form
- Physical Barrier Effectiveness Checklist and Well Data Sheet-Ground Water Source
- Possible Contaminating Activity (PCA) Inventory Form
- Vulnerability Analysis Procedures – Ground Water Source

Section 6. Recycled Water

6.1 Existing and Future Conditions

Task 6.1a: Provide a discussion on current and future recycled water supply and demand, including review of current planning documents, description of IEUA entitlement, and supply considerations and needs.

Task 6.1b: Review the RWMP. Provide recommendations on the RWMP's content utilizing the following criteria:

- Locations for booster stations and pipeline resizing.
- Pressure zone and overall system demand.
- Considerations for additional storage to supplement the system during peak demand periods.

6.1.1 Infrastructure

Task 6.1.1a: Evaluate the impacts of seasonal variations on both recycled water demand and pressure conditions throughout the distribution system.

Task 6.1.1b: Provide recommendations for retrofitting of inactive wells (e.g., inactive potable or agricultural) and locations to support the system during high peaking and low demand seasons.

Task 6.1.1c: Evaluate the feasibility of adding storage to the recycled water distribution system. Discussion shall include cost, storage capacity, physical characteristics (e.g., size, shape, depth), location recommendations, and operational performance criteria, including findings from Task 6.1b.

Task 6.1.1d: Assess the current integrated system with existing regional connections and potential benefits of isolating portions of the City-owned system.

Task 6.1.1e: Evaluate future high recycled water users such as the Euclid Median and the Pure Water Ontario (PWO) Advanced Water Purification Facility and their impacts on the recycled water system.

6.2 Augmenting Supplies

6.2.1 Groundwater Augmentation

Task 6.2.1a: Evaluate the regulatory and water quality concerns associated with commissioning recycled water wells or retrofitting existing groundwater wells (potable or agricultural) to supplement the recycled water system for direct usage. Discussion shall include the following elements:

- Emerging contaminants from EPA's 5–10-year goals.
- The fate and transport of contaminants from local industrial discharge and pretreatment sites.
- Compatibility with agricultural, commercial, and industrial use.
- Drinking water standards for recharge (when in proximity to recharge basins).

Task 6.2.1b: Assess the feasibility of utilizing raw groundwater within the recycled water system operationally, including storage, hydraulics, and recommended well locations. Discussion shall include findings from Task 6.1a, 6.1.1a, and 6.1.1c.

Task 6.2.1c: Provide guidance on the permitting and processes associated with using groundwater in the recycled water distribution system. The discussion shall include the following information:

- National Pollutant Discharge Elimination System (NPDES) and Waste Discharge Requirements (WDR) requirements.
- Operating under IEUA's master recycled water permit (R8-2022-0041) within the Chino Groundwater Management zone for purposes of direct use and irrigation.
- Recommendations to mitigate potential negative impacts from co-mingling various sources with recycled water supplies from IEUA.

Task 6.2.1d: Evaluate the feasibility and regulations surrounding the use of non-potable groundwater to fill recycled water reservoirs. Discussion shall include findings from Task 6.1.1b, 6.1.1c, and cross-connection (California Cross-Connection Policy Handbook) concerns.

Task 6.2.1e: Evaluate environmental impacts associated with groundwater augmentation.

Task 6.2.1f: Evaluate the financial implications and thresholds of temporary and long-term augmentation of recycled water with potable water in pressure zones experiencing recycled water shortages or new developments with limited access to recycled water.

Task 6.2.1g: Prepare a cost estimate including capital, operational, and maintenance costs for implementing this alternative.

Task 6.2.1h: Identify and evaluate emerging technologies relevant to the augmentation of recycled water supplies and assess potential risks and opportunities.

Task 6.2.1i: [Optional] Identify and assess additional tasks necessary to support the City's evaluation of augmenting recycled water supplies with groundwater aside from those listed.

6.2.2 External Recycled Water Supplies

Task 6.2.2a: Review Feasibility Study on the Western Riverside County Regional Wastewater Authority (WRCRWA) and/or JCSD alignment. Provide recommendations for alignment, including hydraulic considerations and location.

Task 6.2.2b: Evaluate the viability of purchasing external recycled water from other agencies such as WRCRWA. Discussion shall include future supply considerations related to Task 6.1a and assessment of the other agencies' future supply reliability, considering political and social implications.

Task 6.2.2c: Evaluate the regulatory and permitting requirements associated with introducing an additional recycled water source into the existing distribution system. Discussion shall include information findings related to Task 6.2.1c.

Task 6.2.2d: Evaluate environmental impacts associated with introducing an external recycled water source.

Task 6.2.2e: Prepare a cost estimate including capital, operational, and maintenance costs for implementing this alternative.

Task 6.2.2f: [Optional] Identify and assess additional tasks necessary to support the City's evaluation of external recycled water supplies aside from those listed.

6.2.3 Expanding Use of Available Supplies [Optional]

Task 6.2.3a: [Optional] Evaluate the viability of utilizing the existing recycled water supply from IEUA's RP-5 to supplement Ontario Ranch supplies. Discussion shall include future supply considerations related to Task 6.1a and shall expand on its regional benefit to the recycled water system.

Task 6.2.3b: [Optional] Review the regulatory requirements for boosting flows from IEUA's RP-5 to supplement Ontario Ranch supplies. Discussion shall include information regarding the operation of IEUA's master recycled water permit (R8-2022-0041) and any necessary updates to facilitate direct usage.

Task 6.2.3c: [Optional] Evaluate environmental impacts associated with the potential decrease of flows to the Santa Ana River as a result of diverting flows.

Task 6.2.3d: [Optional] Prepare a preliminary cost estimate including capital, operational, and maintenance costs for implementing this alternative.

6.3 Water Resource Usage Strategy

Task 6.3a: Prepare a summary comparison table of the augmented supplies, including a comparison of the cost to implement and regulatory factors.

Task 6.3b: Develop a framework for identifying the priority of use between alternative water supplies.

Section 7: Land Banking

Task 7.1a: Review City's Land Banking inventory of properties to include current operating facilities, properties for future facilities, and properties with former/abandoned facilities.

Task 7.1b: Develop a priority for the use of current banked properties and acquisition of additional land to support future potable water sources and infrastructure.

Task 7.1c: Develop a priority for the use of current banked properties and acquisition of additional land to support recycled water alternatives and infrastructure.

Task 7.1d: Identify surplus properties.

Section 8: Level of Service [Optional]

Task 8.1a: Assess the Agency's existing level of service for existing potable water sources, in comparison to its defined Mission Statement, and assess how optimization and supply recommendations support or enhance the Agency's level of service (LOS). The assessment should also include an analysis of the Agency's risk (consequence and likelihood of failure, etc.) as documented in the Agency's Risk and Resilience Assessment (RRA), updated March 2025. Provide updates to the RRA as necessary.

Task 8.1b: In the same manner as Task 8.1a, assess the LOS and risk (consequence and likelihood of failure, etc.) for recycled water alternative supplies.

Section 9: Coordination of Alternatives

Evaluated alternatives (as discussed in the previous sections) shall be analyzed, organized, and presented in a manner that allows the City to consider factors such as opportunity costs and force multipliers when selecting or combining various alternatives, to evaluate the best use of its available resources (i.e., those existing and those identified in this study).

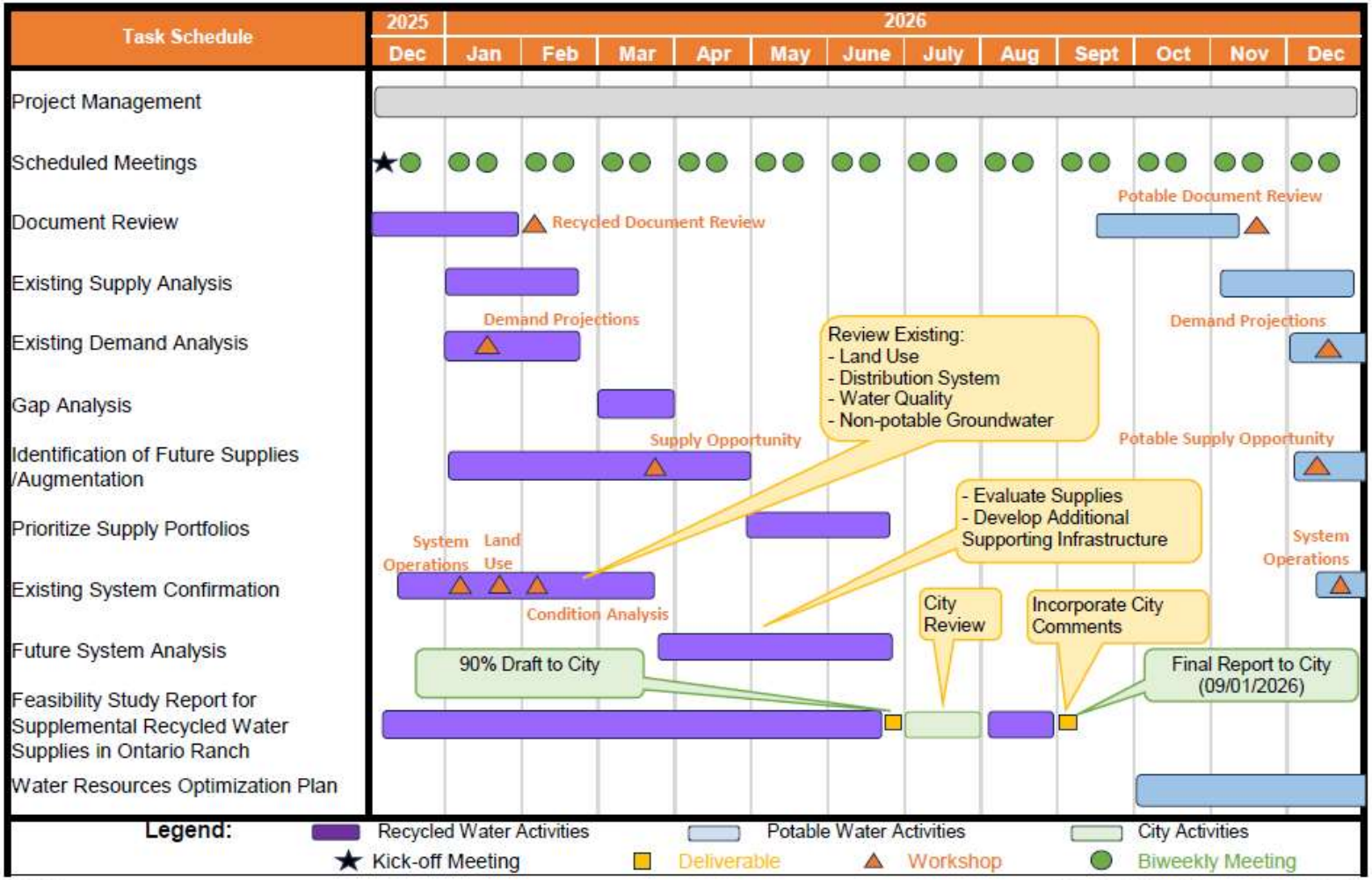
Task 9.1a: Provide exhibits, tables, and flowcharts (as appropriate) to clearly demonstrate:

- Which alternatives are contradictory and cannot be achieved concurrently.
- Which alternatives are collaborative.
- Which collaborative alternatives are force multipliers (improving the return when combined).
- Which collaborative alternatives are essential to support another alternative initiative.
- Present projected costs, benefits, and factors for each alternative in a manner that demonstrates the changing impacts and considerations as influenced by identified collaborative alternatives.
- Priorities and timelines for combined alternatives to achieve the stated benefit.

****

EXHIBIT "B"
SCHEDULE OF SERVICES

Figure 7.2 Schedule



1 Fee Proposal

The fee for the Water Resources Optimization Plan is based on a clearly defined scope and a set of strict assumptions. These assumptions are intended to guide the estimate for this lump sum engagement. The base fee, shown in Table 7.1, represents a fixed cost for the tasks described in the current scope.

We recognize that, as the project progresses, the City may identify a need for additional services beyond the original scope. To accommodate this, we propose that the City secure an optional task allowance of $80,000 for out-of-scope assignments. This allowance will provide flexibility and help avoid delays if new requirements emerge.

Any work outside the agreed-upon scope will not commence without the City's prior written approval. Out-of-scope or optional services will be billed on a time-and-materials basis, using the rates provided in Table 7.2 and 7.3.

If the City wishes to modify the scope, fee, or underlying assumptions, Arcadis is available to discuss and negotiate any necessary updates to the scope and fee.

Task 1 Project Management

- Kick-off meeting will be a 2-hour hybrid meeting.
- Bi-weekly progress meetings are 1-hour meetings and will be virtual. Arcadis will bring relevant staff to meetings as needed. 41 total meetings.
- Arcadis will provide a list of action items and decision items to document each meeting.
- Monthly progress reports will be concise bullet point format.
- All workshops are included in their corresponding sub-tasks, not in the Project Management Task.
- Project will include 11 identified workshops and up to 3 additional 2-hour workshops, as required.
- Workshops are assumed to be 2-hours, unless otherwise noted, and will be hybrid type (in person/ MS Teams).
- Arcadis will provide a list of action items and decision items to document each workshop.

Task 2 Review of Existing Potable and Recycled Water Agreements

- City will provide necessary data, agreements, and planning documents for Arcadis to review.
- Document review is limited to the documents listed in the RFP and up to 5 additional agreements.
- Document review will be limited to information pertinent to the City and water supplies.
- Review of example agreements is limited to a total of 5 agencies.
- Arcadis will not comment on the appropriateness of the agreements or provide recommendations on negotiating strategies for any agreement amendments. Arcadis also will not review any documents or provide recommendations related to any legal proceedings.

Task 3 Evaluate Potable Water Sources and Opportunities

- It is assumed that the City will provide Arcadis with a calibrated hydraulic distribution model that runs for 72 hours under existing average day demand (ADD) and maximum day demand (MDD) conditions.
- Arcadis will make minor adjustments to the distribution model to input new supplies. Existing facilities, controls, and location of pipes and facilities are assumed to be correct in the hydraulic model.
- City will provide necessary well and water quality data for Arcadis to review.
- GW evaluation will be limited to information that is available from the City or Chino Basin Watermaster.
- Evaluation of GW well condition is limited to available documentation and City information and excludes any field investigation. Field investigation can be added as an optional item.
- It is assumed that in addition to the sixteen (16) active OMUC wells, up to eight (8) inactive wells will be evaluated.
- City will provide available production, annual Operations and Maintenance costs, layouts, and design information for wells and treatment facilities.

- It is assumed that the well reports have complete information on lithology, well construction, and currently installed pumping equipment.
- It is assumed that review of previous well video surveys will be limited to video log summary reports, viewing of video will not be required.
- Cost estimates will be AACE Class V.
- It is assumed that the City contains an up to date CMMS database of their assets with the existing quality of all their potable water assets.
- Arcadis will evaluate cost and layouts for up to 3 conceptual treatment facilities.

Task 4 Evaluate Recycled Water Sources and Opportunities

- It is assumed that the City will provide Arcadis with a calibrated hydraulic that runs for 72 hours under existing ADD and MDD conditions.
- Arcadis will make minor adjustments to the distribution model to input new supplies. Existing facilities, controls, and location of pipes and facilities are assumed to be correct in the hydraulic model.
- Arcadis will make minor adjustments to the model as needed.
- Arcadis will submit draft and final Recycled Water Feasibility Study in electronic format
- City will provide necessary well and water quality data for Arcadis to review.
- Evaluation of GW well condition is limited to available documentation and City information and exclude any field investigation. Field investigation can be added as an optional item.
- It is assumed that recommendations will be provided for rehabilitation and retrofit up to four (4) wells
- Cost estimates will be AACE Class V
- It is assumed that comments on deliverables will be consolidated before providing to Arcadis, and revisions will be limited to one round.
- It is assumed that the City contains an up to date CMMS database of their assets with the existing quality of all their potable water assets.
- Arcadis will submit draft and final Recycled Water Feasibility Study in electronic format.
- It is assumed that comments on deliverables will be consolidated before providing to Arcadis, and revisions will be limited to one round.
- Arcadis will evaluate cost and layouts for up to 3 conceptual treatment facilities.

Task 5 Land Banking

- It is assumed that City has a complete GIS inventory of city owned properties and infrastructure.
- Site visits are excluded from the evaluation.

Task 6 Coordination of Alternatives

- Water Supply Alternatives Workshop is a four hour hybrid workshop.
- Arcadis will submit draft and final Water Resources Optimization Plan in electronic format.
- It is assumed that comments on deliverables will be consolidated before providing to Arcadis, and revisions will be limited to one round.

(BB&K 2017) Exhibit "C"-2

Table 1.1 Arcadis Fee Table

City of Ontario

Water Resources Optimization Plan

Task No.	Task Description	Arcadis Hours										$			Total Cost
		Technical Advisor	Senior Technical Manager	Principal Engineer/ Scientist	Senior Engineer/ Scientist	Project Engineer/ Scientist	Engineer/ Scientist II	Engineer/ Scientist I	Senior Project Assistant/ CAD Support	Project Assistant	Total Hours	Total Labor	Other Direct Costs	Subconsultant Costs	
		$350	$320	$300	$270	$210	$165	$150	$145	$125					
Water Resources Optimization Plan															
1	Project Management & Meetings	36	30	6	116	108.5	5	87	0	13	401	$93,543	$0	$14,543	$108,086
2	Agreements	36	31	0	95	124	240	36	0	0	562	$119,210	$0	$40,444	$159,654
3	Potable Water	85	120	58	168	314	428	40	0	0	1,213	$273,295	$0	$347,122	$620,417
4	Recycled Water	127	73	62	160	320	472	64	0	12	1,290	$285,630	$2,000	$95,117	$382,747
5	Land Banking	15	8	12	38	96	92	104	0	0	365	$72,435	$0	$2,582	$75,017
6	Coordination of Alternatives	54	16	0	72	44	84	84	0	12	366	$80,660	$2,000	$70,907	$153,567
TASKS 1 THROUGH 6 TOTAL		352	278	138	649	1007	1321	415	0	37	4,196	$924,773	$4,000	$570,715	$1,499,488

Table 1.2 Arcadis Rates For 2025/2026

Labor Category	2025/2026 Hourly Rates*
Technical Advisor	$350
Senior Technical Manager	$320
Principal Engineer/Scientist	$300
Senior Engineer/Scientist	$270
Project Engineer/Scientist	$210
Staff Engineer/Scientist	$185
Engineer/Scientist II	$165
Engineer/Scientist I	$150
Senior Project Assistant/ CAD Support	$145
Project Assistant	$125
Mileage	$0.70/mi

Table 1.3 INTERA Rates for 2025/2026

Labor Category	2025/2026 Hourly Rate*
Principal Engineer/Scientist I	$363
Principal Engineer/Scientist II	$318
Principal Engineer/Scientist III	$295
Sr. Engineer/Scientist I	$285
Sr. Engineer/Scientist II	$262
Sr. Engineer/Scientist III	$249
Sr. Engineer/Scientist IV	$232
Engineer/Scientist I	$219
Engineer/Scientist II	$203
Engineer/Scientist III	$185
Engineer/Scientist IV	$167
Engineer/Scientist Intern	$108
Sr. Technician	$177
Technician	$113
Sr. Tech Editor	$164
Tech Editor	$119
Sr. CAD/Graphics	$141
CAD/Graphics	$113
Sr. Project Analyst	$227
Project Analyst	$113
Project Associate	$113
Mileage	$0.70/mi

* Starting January 1, 2027 rates will be escalated using the U.S. Department of Labor, Bureau of Labor and Statistics Consumer Price Index for Riverside-San Bernardino-Ontario, CA.

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Broadband Operations Prepared By: Vanny Khu Staff Member Presenting: Jimmy Chang, Broadband General Manager Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 16

SUBJECT: AN AMENDMENT TO THE SOFTWARE AGREEMENT WITH GREAT LAKES DATA SYSTEMS, INC. TO SUPPORT ONTARIONET BILLING

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 2 to the Professional Services Agreement, with Great Lakes Data Systems (GLDS), Inc., of Wisconsin, increasing the not-to-exceed contract amount to $403,540 and extending the term of the agreement to June 30, 2028.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The proposed Amendment No. 2 increases the authorized contract amount of $230,266 by $173,274, for a revised total not-to-exceed amount of $403,540. The Fiscal Year 2025-26 Current Budget includes appropriations in the Broadband/Fiber Fund for the OntarioNet Billing services.

BACKGROUND & ANALYSIS: The City of Ontario purchased GLDS BroadHub, a billing system for OntarioNet internet services, on October 13, 2023. Initially set to go live in July 2024, the platform became operational in February 2025 after extensive collaboration with City Staff for system configuration, data conversion, consulting, training, and implementation. As a result, the project timeline was extended.

On March 4, 2025, the City Council approved Amendment No. 1, extending the contract term and increasing the contract not-to-exceed amount to $230,266. The Amendment covers annual Staff user license fees for troubleshooting, technical support, system testing, and routine Staff training. It also included project management, on-call engineering, and professional services billed on an hourly basis.

The proposed Amendment No. 2 seeks to extend the term of the agreement through June 30, 2028, and to increase the contract not-to-exceed amount to $403,540 to cover ongoing subscription fees,

system enhancement, and continued technical support.

Great Lakes Data Systems, Inc. is recommended as a sole source provider due to the proprietary nature of the BroadHub system, its direct integration to OntarioNet' s customer network equipment, and company’s proven performance under the previous agreement.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

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COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 2
TO THE SOFTWARE LICENSE AND SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO AND
GREAT LAKES DATA SYSTEMS, INCORPORATED

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 Great Lakes Data Systems, Incorporated, 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 "Professional Services Agreement" dated September 13, 2023 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to increase the total not-to-exceed compensation by $173,274, for a new total not-to-exceed amount of $403,540, and extend the term for 2.5 additional years to June 30, 2028.

2.3 Amendment Authority. This Amendment No. 2 is authorized pursuant to Section 3.1.1 of the Agreement.

3. Terms.

3.1 Amendment. The Agreement is hereby amended as follows:

a. Fees. Licensee shall pay GLDS the initial fees, monthly fees and other fees as specified in the attached Appendix A. All payments are able to be made in accordance with the terms described in Appendix A. In no event shall the total amount paid for services rendered by

GLDS under this Agreement exceed the sum of $403,540. This covers all related costs for the duration of the Initial Term.

b. Term. This Agreement shall commence on the Effective Date and shall remain in effect for a period of 3 years after the Implementation Date (as defined below), unless earlier terminated in accordance with Section 7 below ("Initial Term"). As specific consideration for the mutual promises made and benefits conferred by this Agreement, GLDS and Licensee may agree to extend this Agreement for up to one (1 additional one-year terms ("Renewal Terms") without modification. The "Implementation Date is defined as the date GLDS' first invoices for monthly fees after the Software is installed, configured, and made available for reasonable use at the Licensee site, regardless of Licensee's readiness for use of the Software.

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 PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO AND
GREAT LAKES DATA SYSTEMS, INCORPORATED

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 Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

GREAT LAKES DATA SYSTEMS, INCORPORATED

_____
Garrick Russel
CEO

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Police Department Prepared By: Mary Salem Department: Prepared By: Mary Salem Staff Member Presenting: Mike Lorenz, Chief of Police Reviewed By: Lizceth Zazueta Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 17

SUBJECT: **AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH CONVERGINT TECHNOLOGIES, LLC FOR ENHANCEMENT OF CITYWIDE VIDEO COVERAGE**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 7 to the Maintenance Services Agreement with Convergint Technologies, LLC, of La Palma, California, increasing the authorized contract amount for the increased Citywide video coverage by $95,053 for a total not-to-exceed amount of $4,485,189.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The recommended Amendment No. 7 increases the authorized contract by $95,053 for a total not-to-exceed contract amount of $4,485,189. The City has been awarded a combined amount of $95,053 for the purchase of Pan, Tilt, Zoom (PTZ) cameras through the Homeland Security Grant Program (HSGP) and the Edward Byrne Memorial Justice Assistance Grant (JAG) Program. The City is not required to provide matching funds for these reimbursable grants. The FY 2025-26 Budget includes appropriations in the Grants fund for the increased Citywide video coverage.

BACKGROUND & ANALYSIS: On July 1, 2025, the City Council approved Amendment No. 6 to the Maintenance Services Agreement with Convergint Technologies, LLC. The City's Communications Infrastructure Planning and Design Standards, established by the Information Technology Agency, promotes consistent and standardized technology infrastructure across all City facilities, including security cameras and access control systems used at the Ontario Police Department. Convergint Technologies, LLC has been the designated provider for access control systems citywide due to the reliability and consistency of its standardized approach. The proposed Amendment No. 7 provides funding for the installation of additional PTZ cameras Citywide. The scope of work includes installation and hardware. These upgrades are essential to support growth of the Real Time

Information Center (RTIC).

Staff recommends approval of Amendment No. 7 to the Maintenance Services Agreement with Convergint Technologies, LLC to continue the City's commitment to standardized infrastructure and the enhancement of security systems across the City.

20 Centerpointe Drive #120, La Palma, California 90623
Phone Mobile (213) 425-4855
mario.herrera@convergint.com

October 29, 2025

City of Ontario
Police Department
2500 S Archibald Ave Ontario, California 91761
Attention:

Quotation: MH13733585P
RFP#:
License/Cert C-10
986407

Reference: **City of Ontario - PD Intersection Cameras**
(3) Traffic Intersection Locations

Scope of Work

Convergint Technologies' scope of work includes furnishing, installing, programming, and commissioning the material listed in the attached bill of material (BOM) as outlined below and with regards to the data listed in the clarifications and exclusions section of this proposal. This proposal complies with prevailing wage labor requirements.

The scope of work includes the installation of an Axis Q series 360°quad-imager and PTZ camera at three intersections across the City of Ontario. The project will include the installation of all cameras, mounts, owner-furnished wireless cellular modems, owner-furnsihed antennas, enclosures, PoE industrial midspans, power supplies, cabling, and software licenses. Convergint will provide installation staff, project specialists, and project management to oversee implementation. Convergint will provide the required Genetec camera connection and ADV software licenses. The City's IT department will need to perform all Genetec programming and network configurations.

Video Surveillance

- Provide and install (3) Axis Q6300-E 360° quad-imager and Q6355-LE PTZ cameras on the existing traffic intersection light pole's horizontal mast at three locations
- Convergint assumes all existing cable pathways are in good working condition and have sufficient space to pull new cables
- Convergint will provide a bucket truck and spotter to perform aerial work at the traffic intersection
- The city must provide confirmation and sign off on all camera views during installation to avoid return trips and additional costs
- The city will be responsible for networking the cameras back to the police department's main Genetec server/archiver
- The city must provide traffic control and lane closures as required for Convergint to safely perform aerial work above the traffic vehicle lanes

Cellular Network

- Provide and install (3) L-Com 12x10x5 weatherproof pole mount enclosures and mount on the traffic light pole's vertical mast at three locations
- Install (3) owner-furnished Cradlepoint R1900 5GB ruggedized wireless routers with power supply and mount inside the weatherproof pole mount enclosure
- Install (3) owner-furnished Parsec PRO5IS 5-in-1 ruggedized antennas and connect to the wireless router
- Convergint will configure static IP addresses for each device and connect to the wireless cellular modem inside the pole-mount enclosure
- Provide and install (1) power supply and industrial PoE midspan in each weatherproof pole mount enclosure
- Electrical 120 VAC power connection for the pole mount enclosure's power receptacle will need to be provided and installed by others
- Convergint assumes all locations have constant 120VAC power for the security equipment
- The customer will be responsible for programming, account setup, and monthly subscription for the Cradlepoint wireless routers

Exclusions

Electrical circuits, conduit, backboxes, fire-rated plywood, fiber, network switches, cellular sim cards, antennas, routers, servers, workstations, patch panels, fire alarm connections, patch and paint, trenching, permits, traffic control, lane closures.

Warranty

Convergint will provide a one-year labor warranty and a one-year material warranty on equipment provided by Convergint. Provision of labor and materials after the first year will be billed on a time and material basis.

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Materials

Line	Qty	Part	Description	Unit Price	Extended Price
1	SOFTWARE LICENSES (NON-TAXABLE)				
2	6.00	GSC-OM-E-1C	1 Enterprise camera connection, mandatory Genetec Advantage	$ 300.00	$ 1,800.00
3	6.00	ADV-CAM-E-1Y	Genetec Advantage for 1 Omnicast Enterprise Camera 1 year	$ 55.00	$ 330.00
4	CAMERAS				
5	3.00	02943-001	AXIS Q6300-E 5MP Multidirectional IP Camera, 360 Overview for Total Situational Awareness, 1/2 Sensors, 60 Hz	$ 2,282.11	$ 6,846.33
6	3.00	Z4-02976004	AXIS Q6355-LE	$ 3,369.77	$ 10,109.31
7	3.00	Z4-5506951	T91G61 WALL MOUNT	$ 224.40	$ 673.20
8	3.00	Z4-01470001	T91B57 POLE MNT 100-410MM	$ 136.22	$ 408.66
9	POWER SUPPLY & ENCLOSURE				
10	3.00	Z4-01154001	T8144 60W INDUSTRIAL MIDSPAN	$ 301.44	$ 904.32
11	3.00	Z4-01726001	POWER SUPPLY DIN PS56 240W	$ 301.44	$ 904.32
12	3.00	973596	12x10x5 Inch 120 VAC Weatherproof Enclosure	$ 768.88	$ 2,306.64
13	3.00	890336	Enclosure Pole Mounting Kit, 9 to 11 Diameter Pole, NEMA	$ 168.07	$ 504.21
14	CABLE & MISCELLANEOUS				
15	1.00	11144215	11144215 SST, CAT6A, OUTDOOR, UTP, BKRL BLACK	$ 891.33	$ 891.33
16	3.00	MISC-HW	Miscellaneous Hardware	$ 400.00	$ 1,200.00

Labor Breakdown

Line	Hours	Description	Hourly Price	Extended Price
1	16.00	Project Manager	$ 185.00	$ 2,960.00
2	0.00	Software Specialist	$ 164.83	$ 0.00
3	50.00	Hardware Specialist	$ 170.00	$ 8,500.00
4	0.00	CAD Documentation	$ 130.00	$ 0.00
5	2.00	Engineering & Design	$ 155.00	$ 310.00

Equipment Total	$	26,878.32
Total Labor	$	11,770.00
Other Costs	$	3,000.00
Freight/Warranty	$	2,334.83
Tax if applicable	$	2,351.85
Total Project Price	**$**	**46,335.00**

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Clarifications and Exclusion

1. All work proposed herein, shall be performed during normal business hours Monday through Friday 8:00 am - 5:00 pm.
2. Low voltage wiring shall be installed via open air code approved methods.
3. Provision or installation of conduit, wire, boxes, fittings or other electrical installation materials unless specifically listed under Inclusions or Bill of Materials.
4. Permits or associated fees are not included.
5. Customer to provide static IP addresses and network connections at panel locations.
6. Customer to provide a secured staging & storage area for project related materials.
7. Pricing assumes that electronic Auto CAD files are available from customer for our use in creating submittal drawings.
8. Twenty five percent (25%) of the proposed sell price shall be payable to Convergint for project mobilization. Mobilization shall be invoiced and due upon customer acceptance of this proposal.
9. Anything in the Contract Documents notwithstanding, in no event shall either Contractor or Subcontractor be liable for special, indirect, incidental or consequential damages, including commercial loss, loss of use, or lost profits, even if either party has been advised of the possibility of such damages.
10. Convergint reserves the right to negotiate mutually acceptable contract terms and conditions with the customer by making mutually agreeable changes to the formal contract included in the Bid Documents.
11. Pricing is contingent upon the project starting within 30 days of acceptance of PO with the understanding that the project will proceed uninterrupted through project completion. Prolonged delays by customers exceeding 30 days will require re-estimating the financial impact of the project, which may result in a price adjustment to the original project sell price. In addition, proceeding with a 30-day delay, project material/equipment purchased will be delivered to the customer site and invoiced in full.
12. Customer acknowledges that supply-chain and shipping difficulties may result in unavoidable delays in deliveries of materials despite timely placement of orders and efforts by Convergint and its suppliers to avoid such delays. Customer agrees to provide Convergint with reasonable extensions of time to the extent of any such delays and Convergint agrees to make reasonable efforts to avoid or minimize such delays. Customer further acknowledges that the above-referenced supply-chain and shipping difficulties may result in unanticipated increases to Convergint's proposal pricing on products covered by this quote or any resulting agreement and that such increases may occur between the time this quote is provided, or any resulting contract is executed and the time when Convergint purchases the products covered by this quote or a resulting agreement. Customer agrees that it will pay any such increase in Convergint's initial pricing of obtaining the products above the proposal pricing upon which the quote or agreement was based, by change order or otherwise, and Convergint agrees that it shall make commercially reasonable efforts to minimize any such increase.
13. Pricing is based on current market conditions and does not include potential tariffs, duties, or manufacturer-imposed surcharges that may arise during the project. If such costs are incurred due to changes in trade policies, supply chain disruptions, or other external factors beyond Convergint's control, Convergint will assess their impact and submit a formal change order for review. These costs will be communicated transparently, and project continuation may require an adjustment to the budget accordingly.

REVIEW IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION PRIOR TO USING A CONVERGINT-INSTALLED SOLUTION: See the "IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION" documentation, available at convergint.com/terms.

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Total Project Investment: **$ 46,335.00**

Thank you for considering for your Security needs. If you have any questions or would like additional information, please don't hesitate to contact me immediately. If you would like to proceed with the scope of work as outlined in this proposal, please sign below and return to my attention.

Sincerely,

Mario Herrera

Convergint
Mario Herrera

By signing below, I accept this proposal and agree to the Terms and Conditions contained herein

	October 29, 2025
Customer Name (Printed)	Date
Authorized Signature	Title

Throughout this Proposal, including these Terms and Conditions and any attachments, (together, "Agreement") the term "Convergint" refers to the Convergint Technologies affiliate operating in the state/province in which the Work is being performed and "Convergint Related Parties" means Convergint and its contractors, subcontractors, third party product manufacturers or providers.

SECTION 1. THE WORK

This Agreement takes precedence over and supersedes any and all prior proposals, correspondence, and oral or written agreements or representations relating to the work set forth in the attached scope of work ("Work"). This Work commences on the start date and will be performed pursuant to the schedule specified in the attached scope of work and, subject to any change orders or addendums, represents the entire agreement between Convergint and Customer.

This Agreement is made without regard to compliance with any special sourcing and/or manufacturing requirements, minority or disadvantaged supplier requirements, or similar government procurement laws. Should such requirements be applicable to this Agreement, Convergint reserves the right to modify and/or withdraw its Agreement.

Customer understands that Convergint is an authorized distributor or reseller and not the manufacturer or developer ("OEM") of software, hardware and equipment (collectively, "Third Party Products") purchased by Customer and certain services are delivered to Customer by such OEM.

No monitoring services, including UL listed monitoring, are included in the Work. Any such services shall be governed and provided by a separate agreement.

Convergint agrees in accordance with the mutually agreed project schedule:

a. To submit shop drawings, product data, samples and similar submittals if required in performing the Work;
b. To pay for all labor, materials, equipment, tools, supervision, programming, testing, startup and documentation required to perform the Work in accordance with the Agreement;
c. Secure and pay for permits and governmental fees, licenses, and inspections necessary for proper execution and completion of the Work, unless local regulations provide otherwise; and
d. Hire subcontractors and order material to perform part of the Work, if necessary, while remaining responsible for the completion of the Work.

Customer agrees in accordance with the mutually agreed project schedule, and at no cost to Convergint:

a. To promptly approve submittals provided by Convergint;
b. To provide access to all areas of the site which are necessary to complete the Work;
c. To supply suitable electrical service as required by Convergint;
d. To remove site obstacles and job safety hazards;
e. To promptly participate and approve acceptance testing, if applicable;
f. Upon completion of commissioning or agreed to acceptance criteria, to promptly provide sign-off establishing job closeout; and
g. That in the event of any emergency or systems failure, reasonable safety precautions will be taken by Customer to protect life and property during the period from when Convergint is first notified of the emergency or failure and until such time that Convergint notifies the Customer that the systems are operational or that the emergency has cleared.

THE WORK AND/OR THIRD PARTY PRODUCTS ARE DESIGNED TO HELP REDUCE, BUT NOT ELIMINATE RISKS OF LOSS RELATING TO CUSTOMER'S PREMISES OR THIRD PARTIES. THE AMOUNTS BEING CHARGED BY CONVERGINT ARE NOT SUFFICIENT TO GUARANTEE THAT LOSS OR DAMAGE WILL DECREASE OR BE ELIMINATED. Customer acknowledges that proper safety and security requires a layered approach of people, processes, safety, and technologies. The Work, including Third Party Products, provided by Convergint is not sufficient to ensure overall safety and security. Customer acknowledges and agrees that it is responsible for its overall safety and security, including testing and maintenance of the Third Party Products (except to the extent contracted to Convergint by written agreement). Customer acknowledges and agrees that it has a duty of care and is solely responsible for its compliance with applicable laws, rules, and regulations, including but not limited to export and re-export restrictions and regulations, privacy and data protection regulations, applicable OEM instructions, terms and conditions, EULAs, and proper product usage.

Risk of loss, including any Third Party Product comprising the Work, shall pass to Customer as the Work is completed and the materials are incorporated into the Work at Customer's site subject to any end user license agreements. If or Third Party Products are earlier stored on Customer's site pursuant to agreement between Customer and Convergint, risk of loss with respect to such or Third Party Product shall pass to Customer upon delivery to Customer's site.

SECTION 2. PRICING

Pricing and amounts proposed shall remain valid for 30 days unless otherwise specified. Price includes only the Third Party Products listed based on Convergint's interpretation of plans and specifications unless noted otherwise. Additional Third Party Products, unless negotiated prior to order placement, will be billed accordingly. Sales taxes (or as applicable GST, PST, VAT or similar tax) and any other taxes assessed on Customer shall be added to the price upon invoice to Customer.

SECTION 3. INVOICE REMITTANCE AND PAYMENT

Customer agrees to pay Convergint fifty (50%) percent of the total price as a mobilization fee at the time of executing this Agreement.

If the Work is performed over more than one month, Convergint will invoice Customer each month for the Work performed during the previous month. Customer agrees to pay the amount due to Convergint as invoiced, within thirty (30) days of the date of such invoice. If the Work is completed in less than one month, Customer agrees to pay Convergint in full after the Work has been completed within thirty (30) days of the date of invoice. Invoices shall not be subject to a project retention percentage and payment to Convergint shall not be conditioned on payment by an upstream party. If Customer is overdue in any payment, Convergint shall be entitled to suspend the Work without liability until paid, charge Customer an interest rate 1 and 1/2% percent per month (or the maximum rate permitted by law, whichever is less), and may avail itself of any other legal or equitable remedy. Customer shall reimburse Convergint costs incurred in collecting any amounts that become overdue, including attorney fees, court costs and any other reasonable expenditure.

SECTION 4. WARRANTY

Warranties for Convergint's services and Third Party Products are described in the Limited Warranty for Products and Services available at https://www.convergint.com/terms/, which is in effect as of the effective date of this Agreement and is incorporated by reference as if set forth herein in full.

SECTION 5. CHANGES

Without invalidating this Agreement or any bond given hereunder, Customer or Convergint may request changes in the Work with a change order signed by both parties. If Customer orders (i) any changes to the Work (e.g. change in objective, deliverables, tasks or hours), (ii) changes to schedule (extension or acceleration), or (iii) causes any material interference with Convergint's performance of the Work, Convergint shall be entitled to an equitable adjustment in the time for performance and in the Price, including a reasonable allowance for overhead and profit.

SECTION 6. FORCE MAJEURE

Neither Customer nor Convergint shall be liable for any delay or failure in the performance of their respective obligations pursuant to this Agreement due to circumstances beyond their reasonable control ("Force Majeure") and without the fault or negligence of the party experiencing such delay. A Force Majeure event shall include, but not be limited to: acts of God, pandemic or epidemic, diseases, quarantines, unavoidable casualties, concealed conditions, acts of any civil or military authority; riot, insurrections, and civil disturbances; war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), rebellion, revolution, terrorist activities; strikes, lockouts or other labor disputes; embargoes; shortage or unavailability of labor, supplies, materials, equipment or systems; accident, fire, storm, water, flooding, negligence of others, vandalism, power failure, installation of incompatible equipment, improper operating procedures, source current fluctuations or lighting, transportation contingencies; laws, statutes, regulations, and other legal requirements, orders or judgements; acts or order of any government or agency or official thereof, other catastrophes or any other similar occurrences. If performance by either party is delayed due to Force Majeure, the time for performance shall be extended for a period of time reasonably necessary to overcome the effect of the delay and Convergint shall be entitled to an equitable adjustment of the Price.

SECTION 7. INSURANCE

In lieu of any Customer insurance requirements, for Services performed in the United States, Convergint shall maintain the following insurance coverages during the term of this Agreement and upon request, shall provide certificates of insurance to the Customer:

Worker's Compensation	Statutory Limits
Employer's Liability	$1,000,000 per occurrence/aggregate
Commercial General Liability	$1,000,000 per occurrence $2,000,000 general aggregate
Automobile Liability	$1,000,000 per occurrence/aggregate
Excess/Umbrella Liability	$3,000,000 per occurrence/aggregate

Commercial General Liability policy shall name the Customer as "additional insured" on a primary/noncontributory basis with respect to liability arising out of the Services, as applicable, but only to the extent of liabilities falling within the indemnity obligations of Convergint pursuant to the terms of this Agreement. Convergint shall not provide loss runs or copies of its insurance policies. Convergint shall provide to the Customer no less than thirty (30) days' notice prior to the termination or cancellation of any such insurance policy. For services performed in Canada, Convergint shall maintain similar insurance coverage dependent upon the local requirements in Canada and upon the insurance available under Convergint's insurance program. All required insurance coverage shall be reasonable in the circumstances and compliant with local regulations.

SECTION 8. INDEMNIFICATION

To the fullest extent allowed by law, Convergint shall indemnify and hold Customer harmless from and against claims, damages, losses, and expenses (excluding loss of use) attributable to bodily injury, sickness, disease or death, or to destruction of tangible property, but only to the extent caused by the negligent acts or omissions of Convergint or Convergint's employees or subcontractors while on Customer's site.

If Convergint is providing products or services for intrusion detection, detection of specific threats to people or property (including weapons, gunshot, or drone detection), mass notification, ballistics or explosives protection, or processing of biometric, health, financial, or government identifier data (collectively, "Special Offerings"), then to the fullest extent allowed by law (i) Convergint's indemnification obligations under the Agreement do not apply whatsoever and Convergint and Convergint Related Parties have no liability to Customer for any losses or damages caused by any Special Offerings; and (ii) Customer shall indemnify, defend, and hold harmless Convergint and Convergint Related Parties, from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) relating to Special Offerings provided by Convergint , except to the extent of Convergint's gross negligence installing such Special Offerings. Any wavier of damages or limitation of liability contained in the Agreement and as modified herein shall not apply to Customer's indemnification, hold harmless and defense obligations herein.

SECTION 9. LIMITATION OF LIABILITY

EXCEPT AS PROVIDED HEREIN, TO THE FULLEST EXTENT ALLOWED BY LAW: (A) IN NO EVENT SHALL EITHER CONVERGINT, CONVERGINT RELATED PARTIES, OR CUSTOMER BE LIABLE UNDER OR IN CONNECTION WITH THIS PROPOSAL FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, LIQUIDATED OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE OR LOST PROFITS, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (B) THE AGGREGATE LIABILITY OF CONVERGINT AND CONVERGINT RELATED PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER TO CONVERGINT UNDER THIS AGREEMENT. THE EXISTENCE OF MORE THAN ONE CLAIM WILL NOT ENLARGE THIS LIMIT. THE LIMITATION SET FORTH IN THIS SECTION SHALL APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHER LEGAL THEORY.

SECTION 10. COMPLIANCE WITH LAW, SAFETY, & SITE CONDITIONS

Convergint agrees to comply with all laws and regulations applicable to its provision of the Work. Customer will comply with all applicable laws and agreements applicable to its use and operation of the Work. Convergint shall comply with all safety related laws and regulations and with the safety program of the Customer, provided such program is supplied to Convergint prior to beginning Work.

If during the course of its Work, Convergint encounters conditions at the site that are subsurface, differ materially from what is represented in the contract documents, or otherwise concealed physical conditions, Convergint shall be entitled to an extension of time and additional costs for the performance of its work.

If Convergint discovers or suspects the presence of hazardous materials or unsafe working conditions at Customer's site where the Work is to be performed, Convergint is entitled to stop the Work at that site if such hazardous materials, or unsafe working conditions were not provided by or caused by Convergint. Convergint in its sole discretion shall determine when it is "safe" to return to perform the Work at Customer's site. Convergint shall have no responsibility for the discovery, presence, handling, removing or disposal of or exposure of persons to hazardous materials in any form at the Customer's site. To the fullest extent allowed by law, Customer shall indemnify and hold harmless Convergint from and against claims, damages, losses and expenses, including but not limited to, reasonable attorney's fees, arising out of or resulting from undisclosed hazardous materials or unsafe working conditions at Customer's site.

SECTION 11. PERSONAL DATA & SECURITY

Convergint's obligations and liabilities regarding Processing of Personal Data and information security shall be limited solely to Processing performed by Convergint's personnel. Processing by OEMs or Third Party Products are governed by any applicable OEM end user licensing agreements or terms and conditions. Customer represents and warrants that it will comply with all applicable Data Protection Laws. Although certain products delivered by Convergint may be capable of processing Biometric Information, Personal Health Information, financial information, or government identifiers ("Sensitive Information"), Customer acknowledges that Convergint is not Processing Sensitive Information (or to the extent it is Processing Sensitive Information, it is doing so strictly in accordance with Customer's instructions) and Customer is solely responsible for compliance of all such Processing with Data Protection Laws. To the fullest extent allowed by law, Customer shall indemnify, defend and hold harmless Convergint from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) asserted by a third party arising out of or relating to failure to comply with applicable Data Protection Laws including but not limited to those related to Sensitive Information. Customer acknowledges it has reviewed Convergint's Privacy Policy available at https://www.convergint.com/privacy-policy/. "Personal Data", "Process(ing)", "Biometric Information", and "Personal Health Information" shall be interpreted in accordance with, and shall include analogous terminology as used in, applicable laws and regulations relating to data privacy, information security, data protection, data breaches, cross-border data flows, and/or the rights and obligations of persons or entities regarding personal information ("Data Protection Laws").

To the extent Convergint provides cybersecurity services, such services are provided "as is" without warranties or representations of any kind, whether express or implied. Convergint will follow Customer-specified policies to access (including remotely access) Customer information systems; however, Convergint will not be responsible for technical problems that may occur resulting from Convergint following Customer's instructions or for information security losses or harms to the extent that they are not due to the fault of Convergint. Customer-authorized changes to Customer information systems are at Customer's own risk and Customer acknowledges it is responsible for the overall security of its information systems.

SECTION 12. INTELLECTUAL PROPERTY

Convergint shall retain title and ownership of all intellectual property rights relating to the drawings, technical documentation, or other technical information ("Documentation") delivered under this Agreement. The OEMs shall retain title and ownership of all intellectual property rights relating to the Third Party Products and will grant any license and right to use in connection with the Third Party Product through the OEM's end user license agreement or other terms and conditions. Customer shall not use any Documentation supplied by Convergint for any purposes other than those directly related to this Agreement or for the use and/or maintenance of the Third Party Product.

SECTION 13. PRICE ADJUSTMENT

Convergint may automatically adjust the price, with five (5) days prior written notice, if based on: (a) changes by its vendors to the cost of materials or Third Party Products to be delivered and/or labor costs related to personnel responsible for performing the Work, (b) macroeconomic conditions, such as taxes, tariffs or duties, natural disasters, labor shortages/strikes, etc., (c) market conditions such as price volatility or availability limitations, or (d) other events not within Convergint's control that impact the cost of performing the Work. The adjustment shall be consistent with applicable market indexes, where available, third-party sources or other evidence. Convergint reserves the right to add periodic surcharges, including without limitation, adjustments for the then current price of fuel, such surcharges to be specified and invoiced by Convergint.

SECTION 14. TERMINATION

If a party materially breaches this Agreement, the other party shall provide written notice of the breach and a reasonable time to cure the breach, but in no event less than 30 days. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate this Agreement upon 15 days written notice to the other party. If Convergint notifies Customer of a material breach pursuant to this paragraph, Convergint may temporarily suspend its work without liability until Customer cures the breach.

SECTION 15. GOVERNING LAW AND DISPUTES

The parties agree that this Agreement shall be governed by the laws of the state/province where the Work is located, and venue for disputes shall be located in that state/province.

In the event of any dispute between Convergint and Customer, Convergint and Customer shall first attempt to resolve the dispute in the field, but if that is not successful, then in a meeting between authorized officers of each company. If settlement attempts are not successful, unless the dispute requires injunctive relief, then the dispute shall be decided exclusively by arbitration. Such arbitration shall be conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association (if the Services are performed in the United States) or Arbitration Rules of the ADR Institute of Canada, Inc. (if the Services are performed in Canada) currently in effect by a single arbitrator and shall be a final binding resolution of the issues presented between the parties. The prevailing party shall be entitled to recover its reasonable attorneys' fees and costs. Any award by the arbitrator may be entered as a judgment in any court having jurisdiction.

SECTION 16. MISCELLANEOUS

The parties have required that this Agreement be written in English and have also agreed that all notices or other documents required by or contemplated in this Agreement be written in English. Les parties ont requis que cette convention soit rédigée en anglais et ont également convenu que tout avis ou autre document exigé aux termes des présentes ou découlant de l'une quelconque de ses dispositions sera préparé en anglais.

Any changes to this Agreement shall be in writing signed by both Customer and Convergint.

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Customer waives all claims against Convergint arising from or related to suspension of work pursuant to this Agreement.

Customer and Convergint are independent contractors, and nothing in this Agreement creates any agency, joint venture, partnership, or other form of joint enterprise, employment, or fiduciary relationship between them. Nothing contained in this Agreement shall be deemed to create a relationship of employee or employer between the parties, and neither party shall be entitled to any benefits that the other party provides for its own employees, including workers compensation and unemployment insurance. Each party shall have exclusive control over its own employees, agents, and subcontractors, its labor and employee relations, and its policies relating to wages, hours, working conditions, or other conditions.

Neither party to this Agreement shall assign this Agreement without the prior written consent of the other party hereto. Notwithstanding the foregoing, Convergint may assign this Agreement without notice or consent (i) to any of its parents, subsidiaries or affiliated companies or any entity majority owned by Convergint; or (ii) in connection with a merger, acquisition, reorganization, sale of all of the equity interests of Convergint, or a sale of all or substantially all of the assets of Convergint to which this Agreement relates.

Notices shall be in writing and addressed to the other party, in accordance with the names and addresses of the parties as shown above. All notices shall be effective upon receipt by the party to whom the notice was sent.

In no event will Convergint be obligated to comply with any project labor agreements or other collective bargaining agreements.

A waiver of the terms hereunder by one party to the other party shall not be effective unless in writing and signed by a person with authority to commit the Customer and Convergint. No waiver by Customer or Convergint shall operate as a continuous waiver, unless the written waiver specifically states that it is a continuous waiver of the terms stated in that waiver.

The Sections regarding invoicing, warranty, indemnity, and disputes shall survive the termination of this Agreement.

By signing this Agreement, Customer acknowledges that it reviewed the Important Product Safety and Service Information at https://www.convergint.com/terms/.

20 Centerpointe Drive #120, La Palma, California 90623
Phone Mobile (213) 425-4855
mario.herrera@convergint.com

October 31, 2025

City of Ontario
Police Department
2500 S Archibald Ave Ontario, California 91761
Attention: Celeste Owens

Quotation: MH13875482P
RFP#:
License/Cert C-10
986407

Reference: **City of Ontario - PD Intersection Cameras**
(3) Traffic Intersection Locations

Scope of Work

Convergint Technologies' scope of work includes furnishing, installing, programming, and commissioning the material listed in the attached bill of material (BOM) as outlined below and with regards to the data listed in the clarifications and exclusions section of this proposal. This proposal complies with prevailing wage labor requirements.

The scope of work includes the installation of an Axis Q series 360°quad-imager and PTZ camera at three intersections across the City of Ontario. The project will include the installation of all cameras, mounts, owner-furnished wireless cellular modems, owner-furnished antennas, enclosures, PoE industrial midspans, power supplies, cabling, and software licenses. Convergint will provide installation staff, project specialists, and project management to oversee implementation. Convergint will provide the required Genetec camera connection and ADV software licenses. The City's IT department will need to perform all Genetec programming and network configurations.

Video Surveillance

- Provide and install (3) Axis Q6300-E 360° quad-imager and Q6355-LE PTZ cameras on the existing traffic intersection light pole's horizontal mast at three locations
- Convergint assumes all existing cable pathways are in good working condition and have sufficient space to pull new cables
- Convergint will provide a bucket truck and spotter to perform aerial work at the traffic intersection
- The city must provide confirmation and sign off on all camera views during installation to avoid return trips and additional costs
- The city will be responsible for networking the cameras back to the police department's main Genetec server/archiver
- The city must provide traffic control and lane closures as required for Convergint to safely perform aerial work above the traffic vehicle lanes

Cellular Network

- Provide and install (3) L-Com 12x10x5 weatherproof pole mount enclosures and mount on the traffic light pole's vertical mast at three locations
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Materials

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4	**CAMERAS**				
5	3.00	02943-001	AXIS Q6300-E 5MP Multidirectional IP Camera, 360 Overview for Total Situational Awareness, 1/2 Sensors, 60 Hz	$ 2,282.11	$ 6,846.33
6	3.00	Z4-02976004	AXIS Q6355-LE	$ 3,369.77	$ 10,109.31
7	3.00	Z4-5506951	T91G61 WALL MOUNT	$ 224.40	$ 673.20
8	3.00	Z4-01470001	T91B57 POLE MNT 100-410MM	$ 136.22	$ 408.66
9	**POWER SUPPLY & ENCLOSURE**				
10	3.00	Z4-01154001	T8144 60W INDUSTRIAL MIDSPAN	$ 301.44	$ 904.32
11	3.00	Z4-01726001	POWER SUPPLY DIN PS56 240W	$ 301.44	$ 904.32
12	3.00	973596	12x10x5 Inch 120 VAC Weatherproof Enclosure	$ 768.88	$ 2,306.64
13	3.00	890336	Enclosure Pole Mounting Kit, 9 to 11 Diameter Pole, NEMA	$ 168.07	$ 504.21
14	**CABLE & MISCELLANEOUS**				
15	1.00	11144215	11144215 SST, CAT6A, OUTDOOR, UTP, BKRL BLACK	$ 891.33	$ 891.33
16	3.00	MISC-HW	Miscellaneous Hardware	$ 400.00	$ 1,200.00

Labor Breakdown

Line	Hours	Description	Hourly Price	Extended Price
1	16.00	Project Manager	$ 185.00	$ 2,960.00
2	0.00	Software Specialist	$ 164.83	$ 0.00
3	64.00	Hardware Specialist	$ 170.00	$ 10,880.00
4	0.00	CAD Documentation	$ 130.00	$ 0.00
5	2.00	Engineering & Design	$ 155.00	$ 310.00

Equipment Total	$	26,878.32
Total Labor	$	14,150.00
Other Costs	$	3,000.00
Freight/Warranty	$	2,337.83
Tax if applicable	$	2,351.85
Total Project Price	**$**	**48,718.00**

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Clarifications and Exclusion

1. All work proposed herein, shall be performed during normal business hours Monday through Friday 8:00 am - 5:00 pm.
2. Low voltage wiring shall be installed via open air code approved methods.
3. Provision or installation of conduit, wire, boxes, fittings or other electrical installation materials unless specifically listed under Inclusions or Bill of Materials.
4. Permits or associated fees are not included.
5. Customer to provide static IP addresses and network connections at panel locations.
6. Customer to provide a secured staging & storage area for project related materials.
7. Pricing assumes that electronic Auto CAD files are available from customer for our use in creating submittal drawings.
8. Twenty five percent (25%) of the proposed sell price shall be payable to Convergint for project mobilization. Mobilization shall be invoiced and due upon customer acceptance of this proposal.
9. Anything in the Contract Documents notwithstanding, in no event shall either Contractor or Subcontractor be liable for special, indirect, incidental or consequential damages, including commercial loss, loss of use, or lost profits, even if either party has been advised of the possibility of such damages.
10. Convergint reserves the right to negotiate mutually acceptable contract terms and conditions with the customer by making mutually agreeable changes to the formal contract included in the Bid Documents.
11. Pricing is contingent upon the project starting within 30 days of acceptance of PO with the understanding that the project will proceed uninterrupted through project completion. Prolonged delays by customers exceeding 30 days will require re-estimating the financial impact of the project, which may result in a price adjustment to the original project sell price. In addition, proceeding with a 30-day delay, project material/equipment purchased will be delivered to the customer site and invoiced in full.
12. Customer acknowledges that supply-chain and shipping difficulties may result in unavoidable delays in deliveries of materials despite timely placement of orders and efforts by Convergint and its suppliers to avoid such delays. Customer agrees to provide Convergint with reasonable extensions of time to the extent of any such delays and Convergint agrees to make reasonable efforts to avoid or minimize such delays. Customer further acknowledges that the above-referenced supply-chain and shipping difficulties may result in unanticipated increases to Convergint's proposal pricing on products covered by this quote or any resulting agreement and that such increases may occur between the time this quote is provided, or any resulting contract is executed and the time when Convergint purchases the products covered by this quote or a resulting agreement. Customer agrees that it will pay any such increase in Convergint's initial pricing of obtaining the products above the proposal pricing upon which the quote or agreement was based, by change order or otherwise, and Convergint agrees that it shall make commercially reasonable efforts to minimize any such increase.
13. Pricing is based on current market conditions and does not include potential tariffs, duties, or manufacturer-imposed surcharges that may arise during the project. If such costs are incurred due to changes in trade policies, supply chain disruptions, or other external factors beyond Convergint's control, Convergint will assess their impact and submit a formal change order for review. These costs will be communicated transparently, and project continuation may require an adjustment to the budget accordingly.

REVIEW IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION PRIOR TO USING A CONVERGINT-INSTALLED SOLUTION: See the "IMPORTANT PRODUCT SAFETY AND SERVICE INFORMATION" documentation, available at convergint.com/terms.

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Total Project Investment: **$ 48,718.00**

Thank you for considering for your Security needs. If you have any questions or would like additional information, please don't hesitate to contact me immediately. If you would like to proceed with the scope of work as outlined in this proposal, please sign below and return to my attention.

Sincerely,

Mario Herrera

Convergint
Mario Herrera

By signing below, I accept this proposal and agree to the Terms and Conditions contained herein

Celeste Owens	October 31, 2025
Customer Name (Printed)	Date
Authorized Signature	Title

Throughout this Proposal, including these Terms and Conditions and any attachments, (together, "Agreement") the term "Convergint" refers to the Convergint Technologies affiliate operating in the state/province in which the Work is being performed and "Convergint Related Parties" means Convergint and its contractors, subcontractors, third party product manufacturers or providers.

SECTION 1. THE WORK

This Agreement takes precedence over and supersedes any and all prior proposals, correspondence, and oral or written agreements or representations relating to the work set forth in the attached scope of work ("Work"). This Work commences on the start date and will be performed pursuant to the schedule specified in the attached scope of work and, subject to any change orders or addendums, represents the entire agreement between Convergint and Customer.

This Agreement is made without regard to compliance with any special sourcing and/or manufacturing requirements, minority or disadvantaged supplier requirements, or similar government procurement laws. Should such requirements be applicable to this Agreement, Convergint reserves the right to modify and/or withdraw its Agreement.

Customer understands that Convergint is an authorized distributor or reseller and not the manufacturer or developer ("OEM") of software, hardware and equipment (collectively, "Third Party Products") purchased by Customer and certain services are delivered to Customer by such OEM.

No monitoring services, including UL listed monitoring, are included in the Work. Any such services shall be governed and provided by a separate agreement.

Convergint agrees in accordance with the mutually agreed project schedule:

a. To submit shop drawings, product data, samples and similar submittals if required in performing the Work;
b. To pay for all labor, materials, equipment, tools, supervision, programming, testing, startup and documentation required to perform the Work in accordance with the Agreement;
c. Secure and pay for permits and governmental fees, licenses, and inspections necessary for proper execution and completion of the Work, unless local regulations provide otherwise; and
d. Hire subcontractors and order material to perform part of the Work, if necessary, while remaining responsible for the completion of the Work.

Customer agrees in accordance with the mutually agreed project schedule, and at no cost to Convergint:

a. To promptly approve submittals provided by Convergint;
b. To provide access to all areas of the site which are necessary to complete the Work;
c. To supply suitable electrical service as required by Convergint;
d. To remove site obstacles and job safety hazards;
e. To promptly participate and approve acceptance testing, if applicable;
f. Upon completion of commissioning or agreed to acceptance criteria, to promptly provide sign-off establishing job closeout; and
g. That in the event of any emergency or systems failure, reasonable safety precautions will be taken by Customer to protect life and property during the period from when Convergint is first notified of the emergency or failure and until such time that Convergint notifies the Customer that the systems are operational or that the emergency has cleared.

THE WORK AND/OR THIRD PARTY PRODUCTS ARE DESIGNED TO HELP REDUCE, BUT NOT ELIMINATE RISKS OF LOSS RELATING TO CUSTOMER'S PREMISES OR THIRD PARTIES. THE AMOUNTS BEING CHARGED BY CONVERGINT ARE NOT SUFFICIENT TO GUARANTEE THAT LOSS OR DAMAGE WILL DECREASE OR BE ELIMINATED. Customer acknowledges that proper safety and security requires a layered approach of people, processes, safety, and technologies. The Work, including Third Party Products, provided by Convergint is not sufficient to ensure overall safety and security. Customer acknowledges and agrees that it is responsible for its overall safety and security, including testing and maintenance of the Third Party Products (except to the extent contracted to Convergint by written agreement). Customer acknowledges and agrees that it has a duty of care and is solely responsible for its compliance with applicable laws, rules, and regulations, including but not limited to export and re-export restrictions and regulations, privacy and data protection regulations, applicable OEM instructions, terms and conditions, EULAs, and proper product usage.

Risk of loss, including any Third Party Product comprising the Work, shall pass to Customer as the Work is completed and the materials are incorporated into the Work at Customer's site subject to any end user license agreements. If or Third Party Products are earlier stored on Customer's site pursuant to agreement between Customer and Convergint, risk of loss with respect to such or Third Party Product shall pass to Customer upon delivery to Customer's site.

SECTION 2. PRICING

Pricing and amounts proposed shall remain valid for 30 days unless otherwise specified. Price includes only the Third Party Products listed based on Convergint's interpretation of plans and specifications unless noted otherwise. Additional Third Party Products, unless negotiated prior to order placement, will be billed accordingly. Sales taxes (or as applicable GST, PST, VAT or similar tax) and any other taxes assessed on Customer shall be added to the price upon invoice to Customer.

SECTION 3. INVOICE REMITTANCE AND PAYMENT

Customer agrees to pay Convergint fifty (50%) percent of the total price as a mobilization fee at the time of executing this Agreement.

If the Work is performed over more than one month, Convergint will invoice Customer each month for the Work performed during the previous month. Customer agrees to pay the amount due to Convergint as invoiced, within thirty (30) days of the date of such invoice. If the Work is completed in less than one month, Customer agrees to pay Convergint in full after the Work has been completed within thirty (30) days of the date of invoice. Invoices shall not be subject to a project retention percentage and payment to Convergint shall not be conditioned on payment by an upstream party. If Customer is overdue in any payment, Convergint shall be entitled to suspend the Work without liability until paid, charge Customer an interest rate 1 and 1/2% percent per month (or the maximum rate permitted by law, whichever is less), and may avail itself of any other legal or equitable remedy. Customer shall reimburse Convergint costs incurred in collecting any amounts that become overdue, including attorney fees, court costs and any other reasonable expenditure.

SECTION 4. WARRANTY

Warranties for Convergint's services and Third Party Products are described in the Limited Warranty for Products and Services available at https://www.convergint.com/terms/, which is in effect as of the effective date of this Agreement and is incorporated by reference as if set forth herein in full.

SECTION 5. CHANGES

Without invalidating this Agreement or any bond given hereunder, Customer or Convergint may request changes in the Work with a change order signed by both parties. If Customer orders (i) any changes to the Work (e.g. change in objective, deliverables, tasks or hours), (ii) changes to schedule (extension or acceleration), or (iii) causes any material interference with Convergint's performance of the Work, Convergint shall be entitled to an equitable adjustment in the time for performance and in the Price, including a reasonable allowance for overhead and profit.

SECTION 6. FORCE MAJEURE

Neither Customer nor Convergint shall be liable for any delay or failure in the performance of their respective obligations pursuant to this Agreement due to circumstances beyond their reasonable control ("Force Majeure") and without the fault or negligence of the party experiencing such delay. A Force Majeure event shall include, but not be limited to: acts of God, pandemic or epidemic, diseases, quarantines, unavoidable casualties, concealed conditions, acts of any civil or military authority; riot, insurrections, and civil disturbances; war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), rebellion, revolution, terrorist activities; strikes, lockouts or other labor disputes; embargoes; shortage or unavailability of labor, supplies, materials, equipment or systems; accident, fire, storm, water, flooding, negligence of others, vandalism, power failure, installation of incompatible equipment, improper operating procedures, source current fluctuations or lighting, transportation contingencies; laws, statutes, regulations, and other legal requirements, orders or judgements; acts or order of any government or agency or official thereof, other catastrophes or any other similar occurrences. If performance by either party is delayed due to Force Majeure, the time for performance shall be extended for a period of time reasonably necessary to overcome the effect of the delay and Convergint shall be entitled to an equitable adjustment of the Price.

SECTION 7. INSURANCE

In lieu of any Customer insurance requirements, for Services performed in the United States, Convergint shall maintain the following insurance coverages during the term of this Agreement and upon request, shall provide certificates of insurance to the Customer:

Worker's Compensation	Statutory Limits
Employer's Liability	$1,000,000 per occurrence/aggregate
Commercial General Liability	$1,000,000 per occurrence $2,000,000 general aggregate
Automobile Liability	$1,000,000 per occurrence/aggregate
Excess/Umbrella Liability	$3,000,000 per occurrence/aggregate

Commercial General Liability policy shall name the Customer as "additional insured" on a primary/noncontributory basis with respect to liability arising out of the Services, as applicable, but only to the extent of liabilities falling within the indemnity obligations of Convergint pursuant to the terms of this Agreement. Convergint shall not provide loss runs or copies of its insurance policies. Convergint shall provide to the Customer no less than thirty (30) days' notice prior to the termination or cancellation of any such insurance policy. For services performed in Canada, Convergint shall maintain similar insurance coverage dependent upon the local requirements in Canada and upon the insurance available under Convergint's insurance program. All required insurance coverage shall be reasonable in the circumstances and compliant with local regulations.

SECTION 8. INDEMNIFICATION

To the fullest extent allowed by law, Convergint shall indemnify and hold Customer harmless from and against claims, damages, losses, and expenses (excluding loss of use) attributable to bodily injury, sickness, disease or death, or to destruction of tangible property, but only to the extent caused by the negligent acts or omissions of Convergint or Convergint's employees or subcontractors while on Customer's site.

If Convergint is providing products or services for intrusion detection, detection of specific threats to people or property (including weapons, gunshot, or drone detection), mass notification, ballistics or explosives protection, or processing of biometric, health, financial, or government identifier data (collectively, "Special Offerings"), then to the fullest extent allowed by law (i) Convergint's indemnification obligations under the Agreement do not apply whatsoever and Convergint and Convergint Related Parties have no liability to Customer for any losses or damages caused by any Special Offerings; and (ii) Customer shall indemnify, defend, and hold harmless Convergint and Convergint Related Parties, from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) relating to Special Offerings provided by Convergint , except to the extent of Convergint's gross negligence installing such Special Offerings. Any wavier of damages or limitation of liability contained in the Agreement and as modified herein shall not apply to Customer's indemnification, hold harmless and defense obligations herein.

SECTION 9. LIMITATION OF LIABILITY

EXCEPT AS PROVIDED HEREIN, TO THE FULLEST EXTENT ALLOWED BY LAW: (A) IN NO EVENT SHALL EITHER CONVERGINT, CONVERGINT RELATED PARTIES, OR CUSTOMER BE LIABLE UNDER OR IN CONNECTION WITH THIS PROPOSAL FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, LIQUIDATED OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE OR LOST PROFITS, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (B) THE AGGREGATE LIABILITY OF CONVERGINT AND CONVERGINT RELATED PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS PAID BY CUSTOMER TO CONVERGINT UNDER THIS AGREEMENT. THE EXISTENCE OF MORE THAN ONE CLAIM WILL NOT ENLARGE THIS LIMIT. THE LIMITATION SET FORTH IN THIS SECTION SHALL APPLY WHETHER THE CLAIM IS BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHER LEGAL THEORY.

SECTION 10. COMPLIANCE WITH LAW, SAFETY, & SITE CONDITIONS

Convergint agrees to comply with all laws and regulations applicable to its provision of the Work. Customer will comply with all applicable laws and agreements applicable to its use and operation of the Work. Convergint shall comply with all safety related laws and regulations and with the safety program of the Customer, provided such program is supplied to Convergint prior to beginning Work.

If during the course of its Work, Convergint encounters conditions at the site that are subsurface, differ materially from what is represented in the contract documents, or otherwise concealed physical conditions, Convergint shall be entitled to an extension of time and additional costs for the performance of its work.

If Convergint discovers or suspects the presence of hazardous materials or unsafe working conditions at Customer's site where the Work is to be performed, Convergint is entitled to stop the Work at that site if such hazardous materials, or unsafe working conditions were not provided by or caused by Convergint. Convergint in its sole discretion shall determine when it is "safe" to return to perform the Work at Customer's site. Convergint shall have no responsibility for the discovery, presence, handling, removing or disposal of or exposure of persons to hazardous materials in any form at the Customer's site. To the fullest extent allowed by law, Customer shall indemnify and hold harmless Convergint from and against claims, damages, losses and expenses, including but not limited to, reasonable attorney's fees, arising out of or resulting from undisclosed hazardous materials or unsafe working conditions at Customer's site.

SECTION 11. PERSONAL DATA & SECURITY

Convergint's obligations and liabilities regarding Processing of Personal Data and information security shall be limited solely to Processing performed by Convergint's personnel. Processing by OEMs or Third Party Products are governed by any applicable OEM end user licensing agreements or terms and conditions. Customer represents and warrants that it will comply with all applicable Data Protection Laws. Although certain products delivered by Convergint may be capable of processing Biometric Information, Personal Health Information, financial information, or government identifiers ("Sensitive Information"), Customer acknowledges that Convergint is not Processing Sensitive Information (or to the extent it is Processing Sensitive Information, it is doing so strictly in accordance with Customer's instructions) and Customer is solely responsible for compliance of all such Processing with Data Protection Laws. To the fullest extent allowed by law, Customer shall indemnify, defend and hold harmless Convergint from and against all claims, demands, actions, liabilities, damages, and costs (including reasonable attorneys' fees) asserted by a third party arising out of or relating to failure to comply with applicable Data Protection Laws including but not limited to those related to Sensitive Information. Customer acknowledges it has reviewed Convergint's Privacy Policy available at https://www.convergint.com/privacy-policy/. "Personal Data", "Process(ing)", "Biometric Information", and "Personal Health Information" shall be interpreted in accordance with, and shall include analogous terminology as used in, applicable laws and regulations relating to data privacy, information security, data protection, data breaches, cross-border data flows, and/or the rights and obligations of persons or entities regarding personal information ("Data Protection Laws").

To the extent Convergint provides cybersecurity services, such services are provided "as is" without warranties or representations of any kind, whether express or implied. Convergint will follow Customer-specified policies to access (including remotely access) Customer information systems; however, Convergint will not be responsible for technical problems that may occur resulting from Convergint following Customer's instructions or for information security losses or harms to the extent that they are not due to the fault of Convergint. Customer-authorized changes to Customer information systems are at Customer's own risk and Customer acknowledges it is responsible for the overall security of its information systems.

SECTION 12. INTELLECTUAL PROPERTY

Convergint shall retain title and ownership of all intellectual property rights relating to the drawings, technical documentation, or other technical information ("Documentation") delivered under this Agreement. The OEMs shall retain title and ownership of all intellectual property rights relating to the Third Party Products and will grant any license and right to use in connection with the Third Party Product through the OEM's end user license agreement or other terms and conditions. Customer shall not use any Documentation supplied by Convergint for any purposes other than those directly related to this Agreement or for the use and/or maintenance of the Third Party Product.

SECTION 13. PRICE ADJUSTMENT

Convergint may automatically adjust the price, with five (5) days prior written notice, if based on: (a) changes by its vendors to the cost of materials or Third Party Products to be delivered and/or labor costs related to personnel responsible for performing the Work, (b) macroeconomic conditions, such as taxes, tariffs or duties, natural disasters, labor shortages/strikes, etc., (c) market conditions such as price volatility or availability limitations, or (d) other events not within Convergint's control that impact the cost of performing the Work. The adjustment shall be consistent with applicable market indexes, where available, third-party sources or other evidence. Convergint reserves the right to add periodic surcharges, including without limitation, adjustments for the then current price of fuel, such surcharges to be specified and invoiced by Convergint.

SECTION 14. TERMINATION

If a party materially breaches this Agreement, the other party shall provide written notice of the breach and a reasonable time to cure the breach, but in no event less than 30 days. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate this Agreement upon 15 days written notice to the other party. If Convergint notifies Customer of a material breach pursuant to this paragraph, Convergint may temporarily suspend its work without liability until Customer cures the breach.

SECTION 15. GOVERNING LAW AND DISPUTES

The parties agree that this Agreement shall be governed by the laws of the state/province where the Work is located, and venue for disputes shall be located in that state/province.

In the event of any dispute between Convergint and Customer, Convergint and Customer shall first attempt to resolve the dispute in the field, but if that is not successful, then in a meeting between authorized officers of each company. If settlement attempts are not successful, unless the dispute requires injunctive relief, then the dispute shall be decided exclusively by arbitration. Such arbitration shall be conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association (if the Services are performed in the United States) or Arbitration Rules of the ADR Institute of Canada, Inc. (if the Services are performed in Canada) currently in effect by a single arbitrator and shall be a final binding resolution of the issues presented between the parties. The prevailing party shall be entitled to recover its reasonable attorneys' fees and costs. Any award by the arbitrator may be entered as a judgment in any court having jurisdiction.

SECTION 16. MISCELLANEOUS

The parties have required that this Agreement be written in English and have also agreed that all notices or other documents required by or contemplated in this Agreement be written in English. Les parties ont requis que cette convention soit rédigée en anglais et ont également convenu que tout avis ou autre document exigé aux termes des présentes ou découlant de l'une quelconque de ses dispositions sera préparé en anglais.

Any changes to this Agreement shall be in writing signed by both Customer and Convergint.

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Customer waives all claims against Convergint arising from or related to suspension of work pursuant to this Agreement.

Customer and Convergint are independent contractors, and nothing in this Agreement creates any agency, joint venture, partnership, or other form of joint enterprise, employment, or fiduciary relationship between them. Nothing contained in this Agreement shall be deemed to create a relationship of employee or employer between the parties, and neither party shall be entitled to any benefits that the other party provides for its own employees, including workers compensation and unemployment insurance. Each party shall have exclusive control over its own employees, agents, and subcontractors, its labor and employee relations, and its policies relating to wages, hours, working conditions, or other conditions.

Neither party to this Agreement shall assign this Agreement without the prior written consent of the other party hereto. Notwithstanding the foregoing, Convergint may assign this Agreement without notice or consent (i) to any of its parents, subsidiaries or affiliated companies or any entity majority owned by Convergint; or (ii) in connection with a merger, acquisition, reorganization, sale of all of the equity interests of Convergint, or a sale of all or substantially all of the assets of Convergint to which this Agreement relates.

Notices shall be in writing and addressed to the other party, in accordance with the names and addresses of the parties as shown above. All notices shall be effective upon receipt by the party to whom the notice was sent.

In no event will Convergint be obligated to comply with any project labor agreements or other collective bargaining agreements.

A waiver of the terms hereunder by one party to the other party shall not be effective unless in writing and signed by a person with authority to commit the Customer and Convergint. No waiver by Customer or Convergint shall operate as a continuous waiver, unless the written waiver specifically states that it is a continuous waiver of the terms stated in that waiver.

The Sections regarding invoicing, warranty, indemnity, and disputes shall survive the termination of this Agreement.

By signing this Agreement, Customer acknowledges that it reviewed the Important Product Safety and Service Information at https://www.convergint.com/terms/.

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
TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 7 TO THE MAINTENANCE SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND CONVERGINT TECHNOLOGIES LLC

1. Parties and Date.

This **Amendment No. 7** to the Agreement (as defined herein), is made and entered into as of _____, by and between the City of Ontario ("City") and **Convergint Technologies LLC**, a Delaware 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 **"Maintenance Services Agreement,"** dated **April 12, 2023** ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to purchase additional equipment for a total of **Ninety-Five Thousand Fifty-Three Dollars ($95,053).** The Parties have heretofore entered into Amendment No. 1, dated November 7, 2023, Amendment No. 2, dated January 16, 2024, Amendment No. 3, dated January 21, 2025, Amendment No. 4, dated January 21, 2025, Amendment No. 5, dated May 6, 2025 and Amendment No. 6, dated July 1, 2025.

2.3 Amendment Authority. This **Amendment No. 7** is authorized, pursuant to **Section 3.7.19.** of the Agreement.

3. Terms.

3.1 Amendment. **Exhibit "A" – Scope of Services** is hereby amended to add Exhibit "A-1", which is hereto and incorporated herein by reference. All other previously added or deleted scope of services are retained in their entirety.

3.1.1 Amendment. Section 3.2.1 of the Agreement is hereby amended in its entirety to read as follows:

3.2.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all services rendered under this Agreement at the rates set forth within Exhibit "C". The total compensation for all City contracted work shall not exceed **Four Million Four Hundred Eighty-Five Thousand One Hundred Eighty-Nine Dollars and Zero Cents ($4,485,189.00),** without written approval of the City Council or City 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."

3.3 Continuing Effect of Agreement. Except as amended by this **Amendment No. 7**, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the Parties under this **Amendment No. 7.** From and after the date of this **Amendment No. 7**, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this **Amendment No. 7**.

3.4 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. 7.**

3.5 Severability. If any portion of this **Amendment No. 7** is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.6 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]

EXHIBIT A-1
SCOPE OF SERVICES

SIGNATURE PAGE FOR AMENDMENT NO. 7 TO THE MAINTENANCE SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND CONVERGINT TECHNOLOGIES LLC

IN WITNESS WHEREOF, the Parties have entered into this **Amendment No. 7** 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

CONVERGINT TECHNOLOGIES LLC

If corporation, two signatures, president or vice president and secretary or treasurer required

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

EXHIBIT A-1
SCOPE OF SERVICES

convergint

20 Centerpointe Drive #120, La Palma, California 90623
Phone Mobile (213) 425-4855
mario.herrera@convergint.com

October 29, 2025

City of Ontario
Police Department
2500 S Archibald Ave Ontario, California 91761
Attention:

Quotation: MH13733585P
RFP#:
License/Cert C-10
986407

Reference: **City of Ontario - PD Intersection Cameras**
(3) Traffic Intersection Locations

Scope of Work

Convergint Technologies' scope of work includes furnishing, installing, programming, and commissioning the material listed in the attached bill of material (BOM) as outlined below and with regards to the data listed in the clarifications and exclusions section of this proposal. This proposal complies with prevailing wage labor requirements.

The scope of work includes the installation of an Axis Q series 360°quad-imager and PTZ camera at three intersections across the City of Ontario. The project will include the installation of all cameras, mounts, owner-furnished wireless cellular modems, owner-furnsihed antennas, enclosures, PoE industrial midspans, power supplies, cabling, and software licenses. Convergint will provide installation staff, project specialists, and project management to oversee implementation. Convergint will provide the required Genetec camera connection and ADV software licenses. The City's IT department will need to perform all Genetec programming and network configurations.

Video Surveillance

- Provide and install (3) Axis Q6300-E 360° quad-imager and Q6355-LE PTZ cameras on the existing traffic intersection light pole's horizontal mast at three locations
- Convergint assumes all existing cable pathways are in good working condition and have sufficient space to pull new cables
- Convergint will provide a bucket truck and spotter to perform aerial work at the traffic intersection
- The city must provide confirmation and sign off on all camera views during installation to avoid return trips and additional costs
- The city will be responsible for networking the cameras back to the police department's main Genetec server/archiver
- The city must provide traffic control and lane closures as required for Convergint to safely perform aerial work above the traffic vehicle lanes

EXHIBIT A-1
SCOPE OF SERVICES

Cellular Network

- Provide and install (3) L-Com 12x10x5 weatherproof pole mount enclosures and mount on the traffic light pole's vertical mast at three locations
- Install (3) owner-furnished Cradlepoint R1900 5GB ruggedized wireless routers with power supply and mount inside the weatherproof pole mount enclosure
- Install (3) owner-furnished Parsec PRO5IS 5-in-1 ruggedized antennas and connect to the wireless router
- Convergint will configure static IP addresses for each device and connect to the wireless cellular modem inside the pole-mount enclosure
- Provide and install (1) power supply and industrial PoE midspan in each weatherproof pole mount enclosure
- Electrical 120 VAC power connection for the pole mount enclosure's power receptacle will need to be provided and installed by others
- Convergint assumes all locations have constant 120VAC power for the security equipment
- The customer will be responsible for programming, account setup, and monthly subscription for the Cradlepoint wireless routers

Exclusions

Electrical circuits, conduit, backboxes, fire-rated plywood, fiber, network switches, cellular sim cards, antennas, routers, servers, workstations, patch panels, fire alarm connections, patch and paint, trenching, permits, traffic control, lane closures.

Warranty

Convergint will provide a one-year labor warranty and a one-year material warranty on equipment provided by Convergint. Provision of labor and materials after the first year will be billed on a time and material basis.

EXHIBIT A-1
SCOPE OF SERVICES

Materials

Line	Qty	Part	Description	Unit Price	Extended Price
1	SOFTWARE LICENSES (NON-TAXABLE)				
2	6.00	GSC-OM-E-1C	1 Enterprise camera connection, mandatory Genetec Advantage	$ 300.00	$ 1,800.00
3	6.00	ADV-CAM-E-1Y	Genetec Advantage for 1 Omnicast Enterprise Camera 1 year	$ 55.00	$ 330.00
4	CAMERAS				
5	3.00	02943-001	AXIS Q6300-E 5MP Multidirectional IP Camera, 360 Overview for Total Situational Awareness, 1/2 Sensors, 60 Hz	$ 2,282.11	$ 6,846.33
6	3.00	Z4-02976004	AXIS Q6355-LE	$ 3,369.77	$ 10,109.31
7	3.00	Z4-5506951	T91G61 WALL MOUNT	$ 224.40	$ 673.20
8	3.00	Z4-01470001	T91B57 POLE MNT 100-410MM	$ 136.22	$ 408.66
9	POWER SUPPLY & ENCLOSURE				
10	3.00	Z4-01154001	T8144 60W INDUSTRIAL MIDSPAN	$ 301.44	$ 904.32
11	3.00	Z4-01726001	POWER SUPPLY DIN PS56 240W	$ 301.44	$ 904.32
12	3.00	973596	12x10x5 Inch 120 VAC Weatherproof Enclosure	$ 768.88	$ 2,306.64
13	3.00	890336	Enclosure Pole Mounting Kit, 9 to 11 Diameter Pole, NEMA	$ 168.07	$ 504.21
14	CABLE & MISCELLANEOUS				
15	1.00	11144215	11144215 SST, CAT6A, OUTDOOR, UTP, BKRL BLACK	$ 891.33	$ 891.33
16	3.00	MISC-HW	Miscellaneous Hardware	$ 400.00	$ 1,200.00

Labor Breakdown

Line	Hours	Description	Hourly Price	Extended Price
1	16.00	Project Manager	$ 185.00	$ 2,960.00
2	0.00	Software Specialist	$ 164.83	$ 0.00
3	50.00	Hardware Specialist	$ 170.00	$ 8,500.00
4	0.00	CAD Documentation	$ 130.00	$ 0.00
5	2.00	Engineering & Design	$ 155.00	$ 310.00

Equipment Total	$	26,878.32
Total Labor	$	11,770.00
Other Costs	$	3,000.00
Freight/Warranty	$	2,334.83
Tax if applicable	$	2,351.85
Total Project Price	**$**	**46,335.00**

EXHIBIT A-1
SCOPE OF SERVICES

convergint

20 Centerpointe Drive #120, La Palma, California 90623
Phone Mobile (213) 425-4855
mario.herrera@convergint.com

October 31, 2025

City of Ontario
Police Department
2500 S Archibald Ave Ontario, California 91761
Attention: Celeste Owens

Quotation: MH13875482P
RFP#:
License/Cert C-10
986407

Reference: **City of Ontario - PD Intersection Cameras**
(3) Traffic Intersection Locations

Scope of Work

Convergint Technologies' scope of work includes furnishing, installing, programming, and commissioning the material listed in the attached bill of material (BOM) as outlined below and with regards to the data listed in the clarifications and exclusions section of this proposal. This proposal complies with prevailing wage labor requirements.

The scope of work includes the installation of an Axis Q series 360°quad-imager and PTZ camera at three intersections across the City of Ontario. The project will include the installation of all cameras, mounts, owner-furnished wireless cellular modems, owner-furnished antennas, enclosures, PoE industrial midspans, power supplies, cabling, and software licenses. Convergint will provide installation staff, project specialists, and project management to oversee implementation. Convergint will provide the required Genetec camera connection and ADV software licenses. The City's IT department will need to perform all Genetec programming and network configurations.

Video Surveillance

- Provide and install (3) Axis Q6300-E 360° quad-imager and Q6355-LE PTZ cameras on the existing traffic intersection light pole's horizontal mast at three locations
- Convergint assumes all existing cable pathways are in good working condition and have sufficient space to pull new cables
- Convergint will provide a bucket truck and spotter to perform aerial work at the traffic intersection
- The city must provide confirmation and sign off on all camera views during installation to avoid return trips and additional costs
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convergint

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SCOPE OF SERVICES

convergint

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4	0.00	CAD Documentation	$ 130.00	$ 0.00
5	2.00	Engineering & Design	$ 155.00	$ 310.00

Equipment Total	$ 26,878.32
Total Labor	$ 14,150.00
Other Costs	$ 3,000.00
Freight/Warranty	$ 2,337.83
Tax if applicable	$ 2,351.85
Total Project Price	**$ 48,718.00**

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Police Department Prepared By: Zina Hullings Department: Prepared By: Zina Hullings Staff Member Presenting: Mike Lorenz, Chief of Police Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 18

SUBJECT: PURCHASE OF A NEW REPLACEMENT HELICOPTER AND EQUIPMENT

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute a sole source purchase agreement with Airbus Helicopters, of Grand Prairie, Texas in the amount of $4,628,531 for the purchase of a new police helicopter, and execute a purchase agreement with Hangar One Avionics Inc., of Carlsbad, California in the amount of $2,745,248 for the purchase and installation of specialized equipment; and execute a required 30% deposit to Airbus in the amount of $1,388,559.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The purchase of a replacement helicopter will be funded from the Equipment Services Fund for $7,373,779. The cost of the helicopter is $4,628,531 and the estimated cost for the installation and purchase of specialized helicopter equipment is $2,745,248. The projected sale of the City's existing helicopter (N60NT) will reduce the net cost of the replacement helicopter which we plan to sell at the end of 2027. Due to manufacturing lead time on aircraft production, the new aircraft is not anticipated until Fall 2027. If approved, additional appropriations will be included in a future budget adjustment to the City Council for approval.

BACKGROUND & ANALYSIS: The Ontario Police Department Air Support Unit operates three helicopters in its fleet. The planned replacement of City aircraft is predicted at a milestone of 10 years, which is prior to the required performance of significant maintenance. Additionally, aging aircraft have a higher hourly operating cost due to unanticipated maintenance. Replacing the helicopter at 10 years will avoid a 12-year inspection which includes paint stripping and disassembling the helicopter to focus on identification of fatigue and potential airframe and equipment failures. This is very costly and requires approximately six to nine months to complete.

Airbus Helicopters is approved as a sole-source vendor for the City of Ontario. The acquisition of the replacement H125 helicopter will ensure standardization and maintain the current high level of

public safety for the City. The procurement will also allow for consistency of training, tools and equipment, as well as enhanced office safety. Airbus Helicopters was selected as a sole-source vendor based on the aircraft effectiveness and technical features, longer useful life, higher resale value, and lower maintenance requirement as compared to helicopters made by other manufacturers. The City's experience with this manufacturing began in 2002 with Ontario Police Department's purchase, of its first American Eurocopter (AEC) helicopter. In 2014 the company changed their name to Airbus Helicopters.

The installation of avionics (and additional helicopter equipment) will be performed by Hangar One Avionics, Inc. Hangar One Avionics Inc. is also a City approved sole-source vendor. The company is an FAA-certified repair station, as well as an authorized sales and service center for manufacturers of avionic equipment for both law enforcement and private business aircraft. Utilizing Hangar One Avionics Inc. for equipment installation will maintain compatibility with avionics currently in service with all aircraft operated by Ontario Police Department.

Staff recommends approval of a 2027 Airbus AS350 H125 Helicopter with installation of police equipment and avionics.



2027 H125

STANDARD AIRCRAFT:	**$4,311,199**
AFT BAGGAGE DOOR MOD	LED FIN ANTI-COLLISION LIGHT
APPAREO FLIGHT DATA MONITORING SYSTEM	LED POSITION LIGHTS - RH/LH
CABIN HEATING/DEMISTING CIRCUIT	LH SLIDING DOOR W/REDUCED HI-VIS DOOR
CRASH RESISTANT FUEL SYSTEMS	LONG BOARDING STEPS
ENERGY-ATTENUATING SEATS - PILOT & COPILOT	NVG VEMD
HIGH SKID LANDING GEAR	ROTOR BRAKE
INTERIOR: FACTORY COVERED SEAT CUSHIONS	WIRE STRIKE PROTECTION SYSTEM - EC - FIXED PROVISIONS
KIT TO INCREASE INTERNAL GROSS WEIGHT TO 2,370 KG (5,225 LB) - (DUAL HYDRAULIC)□	
STANDARD AIRCRAFT AVIONICS:	**INCLUDED**
COM / NAV / GPS / GTN650Xi / GARMIN	
NAV2 / COM2 / GNC215A / GARMIN	
AUDIO / GMA350H / GARMIN	
DUAL USB	
ELT / 406AP-H INTEGRA EXT'D RANGE / KANNAD	
ELECTRONIC FLIGHT DISPLAY SYSTEM / G500 TXi / GARMIN	
CHARTVIEW OPTION ENABLEMENT CARD	
SYNTHETIC VISION OPTION	
TAXI AND LANDING LIGHT WITH PULSE OPTION	
TRANSPONDER W/ADSB IN-OUT / GTX345R / GARMIN	
WIRELESS AIRBORNE COMMUNICATION SYSTEM (MINI-WACS)	
STANDARD FACTORY & AHI INSTALLED OPTIONS:	**INCLUDED**
200 AMP SKURKA STARTER GENERATOR	
BACKUP STANDBY ATTITUDE DISPLAY / GI-275 / GARMIN	
COLLECTIVE ACTIVATED HOURMETER	
ENHANCED THERMAL PROTECTION ON REAR TRANSMISSION	
RG350 BATTERY, CONCORD LEAD ACID	
RIGHT HAND REAR SLIDING DOOR	
STEP - COWLING MAINTENANCE - LH/RH	
TAIL ROTOR GUARD, REMOVABLE PARTS	
ADDITIONAL STANDARD AHI OPTIONS:	**INCLUDED**
EXTERIOR: CHOICE OF UP TO THREE (3) COLORS	
HI-VIS MAIN ROTOR BLADES ONE OR TWO COLOR, SCHEME A OR B	
INTERIOR FLOORING	
ADDITIONAL AHI OPTIONS:	**$414,531**
BATTERY RELOC-W\LEAD ACID TO TAILBOOM	55,229
CABLE CUTTER R\P W\O WIPER DEFL-DART	36,033
DOOR-RH FWD TOUR-SHORT-CLEAR DR ONLY	48,011
EXTENDED SEAT RAILS,EAS4G LH	19,152
LH TOUR+FLAP DR-IN LIEU OF SLID DOOR	132,401
QUICK RELEASE FLAP DOOR HINGE MOD LH	12,243
STAINLESS STL STRIPS RH SL DR	6,946
RSG AIR CONDITIONER RH SIDE BAGGAGE CONDENSER	90,270
PAINT - AIRBRUSH FLAG ON VERTICAL STABILIZER	6,331
PAINT - 2 QUARTS EACH COLOR AND ACTIVATOR	3,166
ENGINE OIL TO BE EASTMAN	4,749
COMMERCIAL GESTURE:	**($97,199)**
TOTAL AIRFRAME, FCA, COLUMBUS, MS	**$4,628,531**

HANGAR ONE AVIONICS

QUOTE

Date: 9/13/25
Quote #: 20250913-1
Quote Valid until 12/31/2026

Bill To: Ontario Police Department
2009 West Porterfield Way Ste B
Upland, CA. 91786
Attn: Sergeant Kris Lavoie
Ph: 909-408-1931
Fx:
Email: KLavoie@ontariopolice.org

Aircraft Reg: TBD
Aircraft Type: H125
Aircraft S/N: TBD

STATEMENT OF WORK

Qty	PART NUMBER	DESCRIPTION	LABOR	PARTS	TOTAL
1	Dual Controls	Install Copilot Flight Controls	650.0	42,500.00	43,150.00
2	350A73-1572-02 & 350A73-1572-01	Install Extended Length outboard Tail Rotor Pedals. Pilot and Copilot.	325.0	2,801.88	3,126.88
1	NVG	Aero Dynamix Cockpit NVG STC SR09456RC	6,500.0	62,500.00	69,000.00
1	Life Port	Install one LifePort Inc. Rear Seat Wall System per STC SR01193LA to include the following: One (1)Wall Rack Installation Part and Four (4) Standard Seats	15,600.0	81,677.50	97,277.50
1	ST2-267-01	One (1) Cargo pallet with brownline will attach to AFT wall seat rack for equipment mounts.	0.0	3,918.75	3,918.75
1	G500HTxi	Reinstall Electrical wiring for the Airbus Installed Garmin G500H Txi EFIS system. Relocate GSU75H to RH shelf p/n 350A73-0563-1.	21,450.0	8,125.00	29,575.00
1	GTN650&GNC255	Reinstall the Electrical wiring for the Airbus installed Garmin GTN-650Xi and GNC-215 to accommodate the relocation of equipment and electrical interface.	13,585.0	500.00	14,085.00
1	GTN 16watt enablement	Enable 16watt Comm option in Garmin GTN-650Xi.		5,010.94	5,010.94
1	FlightStream 510	Install FlightStream 510 card for bluetooth connectivity		1,729.69	1,729.69
1	GI-275	Reinstall the Electrical wiring for the Airbus installed Garmin GI-275 Standby to accommodate the relocation of equipment and electrical interface.	2,600.0	156.25	2,756.25
1	GRA55	Install a Garmin GRA55 Radar Altimeter System. Includes RT, Two antennas, Radar Altimeter Enablement Card. Install 5G filter.	18,000.0	21,016.67	39,016.67
1	M803-28V-NVG	Install a Davtron Digital Clock with timer/temp probe and backup battery.	1,430.0	1,095.00	2,525.00
1	010-00878-03	Garmin GTN-650H Search and Rescue Enablement Card		2,057.81	2,057.81
1	010-01216-26	Install a Garmin GTX-345 NVG ADS-B Transponder - Panel Mount.	6,000.0	7,214.06	13,214.06
1	Mode A/C lock	Enable transponder for ADSB ON/OFF		1,406.56	1,406.56
1	GTS-800 Traffic	Install a Garmin GTS-800 Traffic system with dual GA58 antennas	15,000.0	16,538.33	31,538.33
1	P132	Install a Geneva Avionics P132 Switch Console.	23,595.0	41,250.00	64,845.00
1	350A82-1609-02	Install an Airbus Half Instrument panel STC Kit.	25,000.0	37,500.00	62,500.00
1	350A82-1094-02	Install AHI Floor Tie Down Ring STC Kit.	13,000.0	6,006.98	19,006.98
1	Carbide Skid Shoes	Install AAI full length carbide skid shoes.	5,850.0	12,500.00	18,350.00
1	AVE-SLSA46WI-M20	Install a Aveo Sapphire S46 LED Steerable Landing Light with IR.	8,450.0	50,000.00	58,450.00
1	130-700414	Install Airbus Canada Blade Tie Down kit.	1,300.0	3,186.25	4,486.25
1	1350IN6-1	Install FDC / Aerofilter inlet barrier filter system.	17,550.0	44,298.75	61,848.75
1	C150	Install Loncoin II Flecks - Onyx #C150 flooring.	6,435.0	1,000.00	7,435.00
2	TBD	Install copilot seat back leather pocket and MOLLE Panel on Pilot Seat Back.	715.0	3,750.00	4,465.00
1	111267-2-93-A5R-A88-T1-P93550	Install Technisonic TDFM-9300NV Radio. Reference Technisonic Project Sheet P93550 dated Oct 04 2017 for radio configuration details.	24,050.0	106,666.67	130,716.67
1	FLX-3050B	Install Foxtronics Lo Band Antenna tuner	8,450.0	13,750.00	22,200.00
1	Antennas	Install Antennas for TDFM-9300 Radio.	13,000.0	8,000.00	21,000.00
1	P-139HD	Install a Geneva P-139HD Digital Audio System with two G13116 Audio Panels. Add drop cord connector on floor behind pilot seat for shooter. Rear Headset jacks will be two outboard xmt and two inboard ICS only. Install a crew Isolate switch.	26,455.0	60,810.81	87,265.81
1	350A73-1720-01 & PS-AMP-800	Install a Power Sonix PSAIR22A system. Includes AMP and Airbus PA Speaker installation kit.	19,500.0	33,333.33	52,833.33
1	A790	Install Technisonic A790 Loud Hailer Controller.	6,500.0	4,728.00	11,228.00
1	Track and Balance	Install Track and Balance provisions. Includes two Accel's, one Mag Pick up and cables.	4,550.0	4,375.00	8,925.00
1	Collective Barrier	Fabricate and install Collective Barrier.	11,050.0	6,250.00	17,300.00
1	Soundproofing	Install Additional Soundproofing per AEC drawing.	5,200.0	1,875.00	7,075.00
1	Seat Cushion Mod	Install American Aircraft Interior Pilot and TFO seat Mod		12,500.00	12,500.00

1	Airbus STC Beacon Kit	Install Whelen LED Strobe Light p/n 01-0771080-08 - Belly Mounted (Red Beacon, 5 hole Mount), Includes lower fairing.	6,500.0	6,646.44	13,146.44
1	Strobes	Install Whelen Strobe/NAV Light Kit. LH Position Light/Strobe Assembly P/N 01-0771733-12, RH Position Light/Strobe Assembly P/N 01-0771733-11, Tail Position Light/Strobe Assembly P/N 01-0771774V02-11.	6,000.0	3,750.00	9,750.00
1	1741320	Install a Facet Engine Oil Filter	4,000.0	8,047.88	12,047.88
1	350A82-5070-0074	Install Airbus Engine Washing Kit	3,250.0	10,924.33	14,174.33
2	BW-A140-NVIS WHITE	Blue Wolf cabin lighting with switch (Dome Light).	2,860.0	2,597.40	5,457.40
1	BW-A230-NVIS WHITE	Blue Wolf NVG Floor Light mounted to center console.	1,430.0	1,298.70	2,728.70
1	723-1283-201	Install Dome light in rear cargo compartment. Copy s/n 7856	1,430.0	1,298.70	2,728.70
1	Map Box	Relocate Stowage box to RH side of Pilot Seat. Copy 7856	1,430.0	-	1,430.00
1	Light Rings	Install aluminum light rings for Landing and Taxi Light panel access. Copy7856	1,144.0	312.50	1,456.50
1	Autopilot	Install a Garmin GFC-600H Autopilot System	39,000.0	103,396.67	142,396.67
1	ELT ANTENNA RELOCATION	Relocate ELT Antenna to Transmission Deck (same as N50NT)	7,500.0	-	7,500.00
1	Taxi and Landing	Install Customer supplied LED Taxi and Landing Light	4,550.0	200.00	4,750.00
1	Storage Box	Fabricate and install a storage box behind TFO Collective	3,900.0	625.00	4,525.00
2	Holders	Install Container Holders - Pilot/Copilot. Add NVG goggle Mount secured to the pilot and copilot door post to stow goggles.	715.0	2,000.00	2,715.00
1	HOBBS	Install an additional HOBBS meter activated by Main Gearbox Oil pressure / Replace existing HOBBS meter	1,950.0	750.00	2,700.00
1	Paint Touch Up	Touch up paint as needed for new completion items. Customer to provide touch up paint from Airbus.	10,868.0	-	10,868.00
1	ARS700	Churchill ARS-700 Mapping Computer	50,000.0	135,000.00	185,000.00
1	AK-4	Hangar One USB Keyboard	3,250.0	3,640.00	6,890.00
1	SX-16	Install a Spectrolab SX-16 Searchlight System with Spectrolink	30,000.0	76,250.00	106,250.00
1	AMT342	Install Meeker Searchlight A Frame Mount with wedge	6,500.0	32,868.75	39,368.75
1	MX-10	Wescam MX-10 Camera System with HDIR. Includes MX-GEO-GPS-10 (GeoPoint) (NO LASER)	50,000.0	453,183.53	503,183.53
1	MX-10EON	MX-10 EON option		52,870.59	52,870.59
1	MX-10SL	MX-10 Searchlight Interface Option		10,045.88	10,045.88
1	MX-10RCS	MX-10 RCS interface Option		10,045.88	10,045.88
1	MX-10KLV	MX-10 Wescam Metadata Option		10,045.88	10,045.88
1	AFDP-1	Meeker LH DownPost Mount	3,250.0	22,968.75	26,218.75
1	Troll	Troll Microwave Downlink System with High Gain Antenna POD	30,000.0	190,850.00	220,850.00
1	AFDP-1RH	Meeker RH DownPost Mount	3,250.0	22,968.75	26,218.75
2	DT-1-1/DT-1-11	Meeker Dovetail Set		15,487.50	15,487.50
1	Cell Modem	Pepwave Wifi Router includes antenna	9,750.0	3,125.00	12,875.00
1	AB-17-W-3G-SDI-WNP-TCP-CBO	Airborne Displays 17" NVG monitor	13,000.0	31,250.00	44,250.00
			617,317.00	1,922,477.36	2,539,794.36
				Freight	8,000
				Sales Tax (7.75%)	197,454.06
				Total Price	**$ 2,745,248.42**

Thank you for your business!

2026 Palomar Airport Road, Carlsbad CA 92011 Ph: 760- 929-2270

PURCHASE AGREEMENT

BETWEEN

CITY OF ONTARIO

POLICE AIR SUPPORT UNIT

AND

AIRBUS HELICOPTERS, INC.

This Purchase Agreement is entered into by and between:

CITY OF ONTARIO, POLICE AIR SUPPORT UNIT, with its principal place of business at 2009 W. Porterfield Way, Suite B, Upland, CA 91786

And

AIRBUS HELICOPTERS, INC., with its principal place of business at 2701 N. Forum Drive, Grand Prairie, TX 75052

PURCHASE AGREEMENT

1 GENERAL INFORMATION

Helicopter Type	H125
Manufacturing Year	2027
FAA Registration	N-Registered
Quantity	Qty 1

2 EQUIPPED AIRCRAFT PRICE

Price of the helicopter with optional equipment
Detailed pricing defined in Exhibit 1
Pricing is subject to change in accordance with Airbus Terms and Conditions (T&C's). For specific details, please refer to Paragraph 2, "Prices and Terms of Payment," within the T&C's.

Aircraft	$4,311,199
Additional Options	$414,531
Commercial Gesture	($97,199)
TOTAL	**$4,628,531**

3 MILESTONE PAYMENTS

Deposits	USD	Percentage	Due
Initial	**$1,388,559**	30%	**Upon signature of the Contract**
Balance	**$3,239,972**	70%	**Upon delivery of the Aircraft**
TOTAL	**$4,628,531**		

4 PAYMENT TERMS

Type of Payment:
Net 30 Days

Remit Instructions:
Submit U.S. funds to Airbus Helicopters, Inc., via wire transfer or ACH as applicable.

Airbus Helicopters, Inc.
C/O Bank of America
115 West 42nd Street
New York, NY 10036

ACH/EFT ABA # 111000012
Wire ABA # 026009593
AHI Account # 4427299827
Fed ID # 75-2416720

Please reference the following identifying details in the wire transfer of funds:
Invoice Number, Aircraft Model, Serial Number, and Contract Number.

5 DELIVERY TERMS

Delivery Date	October 2027
Delivery Location	Columbus, MS FCA INCOTERMS© 2020

6 ADDITIONAL PROVISIONS

Revisions noted in this Section 6 take precedence over the related Exhibit 2 – Terms and Conditions. See Paragraph 15 of the Terms and Conditions for order of precedence.

Commercial Gesture:
A commercial gesture in the amount of $97,199 has been applied.

7 LIST OF EXHIBITS

Exhibit 1 – Configuration
Exhibit 2 – Terms and Conditions

8 NOTICES

All notices, requests, and other communications hereunder shall be in writing and shall be deemed to be given and received (a) when personally delivered by hand to the recipient or (b) three (3) days after deposit in registered or certified first class U.S. mail (or comparable national postal system, if appropriate), postage prepaid, or (c) transmitted electronically via email to the recipient at the address set forth under such recipient's name on the first page of this Agreement.

AHI
Phianka
Contract Administrator/Manager
Phone: 214-907-1707
Email: Phianka.ph.truong@airbus.com
Cc: contact.contracts.offers.ah@airbus.com
Address: 2701 N Forum Drive, Grand Prairie, TX 75052

City of Ontario
Sergeant Paul Shaffer
Phone: 909-408-1930
Email: PShaffer@ontariopolice.org
Address: 2009 W. Porterfield Way, Suite B, Upland, CA 91786

This Purchase Agreement, the attached Terms and Conditions (as defined herein) and all applicable Exhibits constitute the entire agreement between the Seller and the Buyer ("Agreement"). This Agreement supersedes all previous communications and/or agreements either oral or written, between the Seller and the Buyer with respect to the Products and/or Services (as defined herein).

The delivery date and price as defined herein will become firm, subject to aircraft availability, upon receipt of deposit and executed Purchase Agreement no later than 15 December 2025.

The offer herein is subject to and contingent upon Buyer, and any entity that will make the down payment on behalf of Buyer, being cleared in Seller's Anti-Money-Laundering/Know Your Customer (AML/KYC) process. Seller will not sign this Purchase Agreement unless and until this AML/KYC clearance is obtained, and failure to obtain such clearance will render the offer herein null and void. Any other entity that will pay any part of the purchase price on behalf of Buyer must be cleared under this AML/KYC process prior to delivery of the Products.

This order is subject to the Terms and Conditions as defined in Exhibit 2 attached hereto. Any modifications to the Terms and Conditions are defined in Section 6 – Additional Provisions. This Document contains confidential information which is to be treated at all times in accordance with Paragraph 9 – Confidentiality of Exhibit 2 – Terms and Conditions.

The Parties, intending to be legally bound as evidenced by the signatures below of each Party's authorized representative, agree to all terms as defined in this Purchase Agreement effective as of the final signature date shown below (Effective Date).

For CITY OF ONTARIO

POLICE AIR SUPPORT UNIT:

_____
Signature

_____
Printed Name

_____
Title

_____
Date

For AIRBUS HELICOPTERS, INC.:

_____
Signature

_____
Printed Name

_____
Title

_____
Date

Exhibit 1
CONFIGURATION

Any changes to the configuration will be treated in accordance with Paragraph 15 – Modifications of Exhibit 2 – Terms and Conditions.

2027 H125

STANDARD AIRCRAFT:	$4,311,199
AFT BAGGAGE DOOR MOD	LED FIN ANTI-COLLISION LIGHT
APPAREO FLIGHT DATA MONITORING SYSTEM	LED POSITION LIGHTS - RH/LH
CABIN HEATING/DEMISTING CIRCUIT	LH SLIDING DOOR W/REDUCED HI-VIS DOOR
CRASH RESISTANT FUEL SYSTEMS	LONG BOARDING STEPS
ENERGY-ATTENUATING SEATS - PILOT & COPILOT	NVG VEMD
HIGH SKID LANDING GEAR	ROTOR BRAKE
INTERIOR: FACTORY COVERED SEAT CUSHIONS	WIRE STRIKE PROTECTION SYSTEM - EC - FIXED PROVISIONS
KIT TO INCREASE INTERNAL GROSS WEIGHT TO 2,370 KG (5,225 LB) - (DUAL HYDRAULIC)	

STANDARD AIRCRAFT AVIONICS:	INCLUDED
COM / NAV / GPS / GTN650Xi / GARMIN	
NAV2 / COM2 / GNC215A / GARMIN	
AUDIO / GMA350H / GARMIN	
DUAL USB	
ELT / 406AP-H INTEGRA EXT'D RANGE / KANNAD	
ELECTRONIC FLIGHT DISPLAY SYSTEM / G500 TXi / GARMIN	
CHARTVIEW OPTION ENABLEMENT CARD	
SYNTHETIC VISION OPTION	
TAXI AND LANDING LIGHT WITH PULSE OPTION	
TRANSPONDER W/ADSB IN-OUT / GTX345R / GARMIN	
WIRELESS AIRBORNE COMMUNICATION SYSTEM (MINI-WACS)	

STANDARD FACTORY & AHI INSTALLED OPTIONS:	INCLUDED
200 AMP SKURKA STARTER GENERATOR	
BACKUP STANDBY ATTITUDE DISPLAY / GI-275 / GARMIN	
COLLECTIVE ACTIVATED HOURMETER	
ENHANCED THERMAL PROTECTION ON REAR TRANSMISSION	
RG350 BATTERY, CONCORD LEAD ACID	
RIGHT HAND REAR SLIDING DOOR	
STEP - COWLING MAINTENANCE - LH/RH	
TAIL ROTOR GUARD, REMOVABLE PARTS	

ADDITIONAL STANDARD AHI OPTIONS:	INCLUDED
EXTERIOR: CHOICE OF UP TO THREE (3) COLORS	
HI-VIS MAIN ROTOR BLADES ONE OR TWO COLOR, SCHEME A OR B	
INTERIOR FLOORING	

ADDITIONAL AHI OPTIONS:	$414,531
BATTERY RELOC-W\LEAD ACID TO TAILBOOM	55,229
CABLE CUTTER R\P W\O WIPER DEFL-DART	36,033
DOOR-RH FWD TOUR-SHORT-CLEAR DR ONLY	48,011
EXTENDED SEAT RAILS,EAS4G LH	19,152
LH TOUR+FLAP DR-IN LIEU OF SLIDING DOOR	132,401
QUICK RELEASE FLAP DOOR HINGE MOD LH	12,243
STAINLESS STL STRIPS RH SL DR	6,946
RSG AIR CONDITIONER RH SIDE BAGGAGE CONDENSER	90,270
PAINT - AIRBRUSH FLAG ON VERTICAL STABILIZER	6,331
PAINT - 2 QUARTS EACH COLOR AND ACTIVATOR	3,166
ENGINE OIL TO BE EASTMAN	4,749

COMMERCIAL GESTURE:	($97,199)

TOTAL AIRFRAME, FCA, COLUMBUS, MS	$4,628,531

Exhibit 2
TERMS AND CONDITIONS

TERMS AND CONDITIONS

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Paragraph 1 - DEFINITIONS

- **Affiliate** means a company which Controls or is Controlled by respectively the Buyer or the Airbus Helicopters group of companies.
- **Buyer** means the person, entity, or company to whom Seller sells any Products and/or Services under the Contract.
- **Buyer Furnished Equipment and Customer Furnished Equipment** (**BFE/CFE**) means equipment owned by Buyer which has been furnished to Seller.
- **Certificate of Conformity** means the document issued by Seller's quality assurance organization after completion of procedures approved by the respective authorized national agency certifying the Product's conformity with Seller's applicable specifications.
- **Contract** (or **Purchase Agreement**) means the agreement negotiated between the Parties including these terms and conditions, along with all Exhibits, annexes, and appendices, applicable to the sale of Products and/or Services as defined therein.
- **Control** (including with correlative meanings the terms "controlling" and "controlled"), with respect to any natural or legal person, means the possession, directly or indirectly, whether through ownership of voting securities, by contract or otherwise of:
  - a majority of the voting rights exercisable at general meetings of the controlled undertaking on all, or substantially all, matters, or,
  - the power to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors on all, or substantially all, matters; or
  - a power to exert a dominant influence over the affairs of the controlled undertaking
- **FAA** means Federal Aviation Administration.
- **FCA (Incoterms® 2020)** means Free Carrier International Commerce Terms
- **Helicopter** means the specific helicopter(s) as defined in this Contract.
- **Helicopter Manufacturer** means Airbus Helicopters SAS or Airbus Helicopters Deutschland GmbH as applicable.
- **IT Service Provider(s)** means any third party contracted by the receiving Party that provides IT services, project management services or other office management services and which may have administrative rights to sustain the IT systems.
- **Part** means a detail part with reference to a part number shown on a drawing parts list provided by the Helicopter Manufacturer.
- **Party/Parties** mean either separately or collectively Buyer and/or Seller.
- **Product(s)** means the goods to be provided by Seller under the Contract which comply with the applicable specifications and/or definition, including all types of Helicopters, optional equipment, Spare Parts, tools, other equipment, documentation, technology, data, software on a Product, and any other goods mentioned in the Specific Exhibit(s) when applicable.
- **Seller** means Airbus Helicopters, Inc.
- **Service(s)** means the services which may be performed under the Contract, consisting of:
  - performance of maintenance and repair,
  - provision of technical publications, technical assistance, and/or technical expert services,
  - tool rental,
  - performance of Training Services,
  - Software as a Service a software application available online on an internet website and/or a software application available on defined mobile operating system(s) ("SaaS"), and
  - any other services mentioned in the Specific Exhibit(s), when applicable.
- **Spare Parts** means replacement parts to be purchased from or otherwise supplied by Seller.
- **Specific Exhibit(s)** (or **Exhibit**) means the exhibit of the Purchase Agreement outlining specific conditions.
- **Terms and Conditions** means these terms and conditions applying to the sale of new Helicopters and associated Products and Services.
- **Training Services** means training need analysis, training courses, and simulator sessions (if applicable), including training software, documentation and courseware.

All other defined terms used herein and not otherwise defined shall have the meanings assigned to those terms as set forth in the Maintenance Manual and Flight Manual (as such manuals are revised and amended from time to time) provided by Seller with each new Helicopter sold by Seller, copies of which have been supplied to Buyer.

Paragraph 2 - PRICES AND TERMS OF PAYMENT

(a) Prices shown on the Purchase Agreement are in U.S. dollars for Products shipped FCA (Incoterms® 2020) Seller's facility or FCA to a common carrier at Seller's facility and do not include any preparation, packaging or crating charges, federal, state or local taxes, excise tariffs or charges, custom duties or other levies, applicable to the manufacture or sale of the Products, which charges, taxes, tariffs or other levies will be added by Seller to the purchase price and will be paid by Buyer, nor any modifications carried out at Buyer's request before and after delivery, expenses incurred for the inspection of Products by third parties, or expenses relating to freight forwarding, carriage by sea, air or land, ferry-flight, storage or insurance costs incurred after Buyer's acceptance.

(b) Unless otherwise specified in this Contract, Buyer shall pay the total unpaid purchase price, plus all applicable preparation, packing and crating charges, taxes, tariffs, customs duties or levies, and other applicable charges, at the time of delivery of the Products. In the event Buyer claims sales tax exemption for its purchase of the Products and Buyer's purchase is subsequently found to be non-exempt by the applicable taxing authority, then Buyer agrees to reimburse Seller for any unpaid taxes, interest and penalties assessed against the purchase by the taxing authority.

(c) All payments shall be made to Seller without setoff, in accordance with the payment terms and remittance instructions stated in Item 4 of the Purchase Agreement. Buyer represents and warrants that all payments made to Seller will be remitted from a bank account owned by Buyer or through a formal escrow closing.

(d) Buyer shall remit all payments set forth in Item 3 of the Purchase Agreement with the initial deposit due immediately upon execution of the Contract by both Parties and final payment due at delivery of the Products and Services prior to acceptance and transfer of ownership. All deposits are non-refundable, except: (1) upon Seller's default as defined in Paragraph 12(b)(2) not cured within ninety (90) calendar days after being provided notice of such default, (2) failure to deliver conforming Products and Services in accordance with the terms of this Contract, inclusive of required FAA certifications, or (3) termination due to a change mandated by law or governmental authority that makes delivery unlawful.

(e) Without prejudice to the above, should Buyer fail to pay, or in the event of a delay in payment, Seller will be entitled to extend the schedule for an equivalent time period and/or suspend performance of the Contract until such payment is made by Buyer. If such delayed payment is not received within sixty (60) calendar days after the due date for such payment as defined in the Contract, it will be treated as a Buyer default in accordance with Paragraph 12(b)(1). In the event of a delay or failure by Buyer to pay for more than sixty (60) calendar days, Seller shall be entitled to terminate the Contract for default of Buyer under the conditions defined in Paragraph 12(b)(1) of this Contract.

Paragraph 3 - DELIVERY AND ACCEPTANCE

(a) The Products shall be delivered FCA (Incoterms® 2020) Seller's facility or FCA to a common carrier at Seller's facility for shipment at Buyer's expense to destination(s) designated by Buyer. Title to and risk of loss for Products shall pass to Buyer upon delivery thereof to Buyer at Seller's facility or upon delivery thereof to a common carrier at Seller's facility for shipment to Buyer unless otherwise specified in the Purchase Agreement.

(b) The Products shall be accepted by Buyer by an authorized and qualified representative of Buyer after inspection and, in the case of Helicopters, flight test at Seller's facility or at such other location previously approved by Seller.

(c) Prior to Buyer's acceptance activities for new Helicopters, the Seller shall perform production ground and flight tests on Helicopters. Flight tests will not exceed fifty (50) hours per Helicopter for the H215 and H225 model aircraft, thirty (30) hours per Helicopter for the H160 and H175 model aircraft and twenty (20) hours per Helicopter for all other model aircraft. Some equipment and components may be delivered with up to fifty (50) hours and/or the remaining time of some equipment and components may be reasonably affected by the manufacturing cycle. Additional hours may be flown in the event that development and installation of specific equipment is requested by the Buyer. The cost of such additional hours shall be borne by Buyer.

(d) Buyer agrees to accept the Products in accordance with this Paragraph 3 within ten (10) business days after: (i) the delivery date set forth on the Purchase Agreement or (ii) the date that the Products are ready for delivery as specified in a written notice by Seller to Buyer, if said delivery has been delayed by Seller.

(e) In the event Buyer fails to accept delivery of the Products as provided herein, or fails to make any payments that may be due to Seller prior to or at delivery of any Products, or breaches any other terms or provisions hereof, Seller may cancel this Contract and retain all payments, including all deposits, theretofore made by Buyer to Seller, whether pursuant to this Contract or otherwise, in satisfaction of any indebtedness of Buyer hereunder, and the retention by Seller of any such payments shall not preclude Seller from seeking additional or further damages from and against Buyer as Seller may elect.

(f) Upon delivery of the Products to Buyer, Buyer shall immediately inspect the Products at its own cost. If the Products are found not to conform to the published specifications for such Products, Buyer shall give written notice to Seller of any claim to that effect within ten (10) business days after delivery of the Products, setting forth in reasonable detail the manner in which the Products do not conform. If Buyer retains the Products after delivery without giving Seller such notice as required, such failure shall constitute an irrevocable acceptance of the Products by Buyer except with respect to defects not reasonably discoverable by such inspection.

(g) Immediately upon transfer of ownership to the Buyer, the Buyer shall be responsible, at its own cost, for appropriate insurance coverage.

(h) From the transfer of risks, the Buyer shall bear all risks related to the Helicopter and waive the right of any recourse of any nature whatsoever against the Seller, its assignees and its directors, officers, agents and employees in this respect. For purposes of clarity, the aforementioned waiver of subrogation shall not apply to Seller's products liability and will only apply to Buyer's hull all risk and hull war risk insurance coverage after delivery of the Aircraft.

(i) After delivery of the Helicopter, should Buyer delay flyaway from Seller's facility, Seller shall provide hangar keeper's care and charge Buyer for each full day of delay according to prevailing rates. Buyer is responsible for any additional costs incurred by Seller due to such delay.

(j) Seller will comply with all mandatory service bulletins and airworthiness directives prior to delivery. The Helicopter is to be delivered with an FAA Certificate of Airworthiness in the Standard category, or in the case of an unassembled delivery, capable of obtaining an FAA Certificate of Airworthiness in the Standard category upon completion at Buyer's designated completion center.

Paragraph 4 - DELAYS

(a) Seller shall not be responsible for, or liable to Buyer, for any damages or expenses incurred by Buyer from any failure to perform or delay in performance by Seller due, in whole or in part, to "Excusable Delays." An "Excusable Delay" is any failure to perform or delay in performance that is due to causes beyond Seller's reasonable control and not resulting from Seller's fault or negligence, and despite Seller's commercially reasonable efforts to prevent, avoid, or mitigate such delay including, but not limited to, acts of God, pandemic, epidemic, fire, explosion, acts of the public enemy, war, insurrection, sabotage, labor disputes, excluding Seller-specific workforce disputes arising from Seller's violation of applicable law), shortage of labor, fuel, power or materials, despite commercially reasonable efforts to obtain substitutes at market rates, failure or delays in transportation, equipment or machinery breakdown, failure or delay of Seller's sources of supplies, but only to the extent Seller cannot reasonably obtain substitute sources on commercially reasonable terms, acts caused or suffered by any supplier or subcontractor of the Seller (or lower level subcontractor or supplier), denial or delay of any applicable FAA certification, acts, orders or priorities (to the extent compliance is legally required or commercially reasonable in the industry)) of any government, state, or political subdivision or agency thereof or judicial action and any other case beyond the reasonable control of the Seller, including any of the above events which pre-existed at the time of the signature of the Contract and were unknown to Seller after reasonable inquiry.

(b) If applicable in accordance with Exhibit 1 Aircraft Configuration, Buyer's failure to provide, not less than ninety (90) calendar days prior to the scheduled delivery date, complete materials, equipment, instructions, and authorizations, for reasons beyond its reasonable control, to Seller for installation of BFE/CFE during the assembly process, which failure causes the Product to be nonconforming at the delivery date, shall not be cause for delay in acceptance pursuant to Subparagraphs 3(c) and 3(e) above or delay in payment. The Seller will have no liability whatsoever in relation to BFE/CFE. In the event BFE/CFE is nonconforming or inoperable, Buyer is responsible for any reasonable costs incurred by Seller and for any resulting delay in delivery. For any BFE/CFE and / or any Buyer directed ancillary equipment which is not DO-160 qualified (Non-Qualified Equipment), Seller agrees to install and certify only the related fixed provisions. The Non-Qualified Equipment will be delivered uninstalled and loose to the Buyer. Determination of airworthiness and operations of all Non-Qualified Equipment is the responsibility of the Buyer.

(c) Detailed instructions concerning the external paint scheme of the airframe, and the colors of the interior upholstery and, if necessary, the selected type of upholstery, shall be provided to Seller at the latest sixty (60) calendar days after signature of the Contract by the last Party to sign, based on samples provided by Seller. Any delay in delivery date due to Buyer's failure to provide Seller such detailed instructions within this 60-day period may result in delays to the delivery of the Helicopter. Any additional costs incurred by Seller as a result of the occurrence of one or more of the events described in Subparagraphs 4(b) and (c) shall be invoiced by Seller and paid by Buyer at time of delivery over and above the price of the Contract.

(d) Furthermore, any change request(s) by Buyer may extend the delivery date or require an adjustment to the purchase price stated in the Purchase Agreement. In order not to impact delivery schedules, the Parties agree to freeze the configuration at least ninety (90) calendar days prior to scheduled delivery date unless mutually agreed otherwise by the Parties. Certain configuration changes require configuration freeze more than ninety (90) calendar days prior to scheduled delivery. Upon Buyer request for changes, Seller is authorized to send Buyer an electronic sequential confirmation notice of change order by Buyer setting out the configuration change or Contract revision, the adjusted purchase price, if any, and the revised delivery date. Buyer may reject, in writing or electronically, any confirmation notice that is unacceptable within five (5) business days of receipt of a confirmation notice from Seller. If timely rejected by Buyer, the Contract, as amended, will remain in effect and the change order will

lapse and not become a part of this Contract. Buyer's failure to respond timely to any confirmation notice will be deemed acceptance of the change order by Buyer, which will become part of the Contract, as amended. The Parties agree that any such configuration change request from Buyer within ninety (90) calendar days of the delivery date will be contracted through a separate retrofit agreement for the additional scope of work including the related price and delivery schedule, if applicable.

(e) Seller's adherence to the delivery date is conditioned upon Buyer fulfilling all of its material contractual obligations.

(f) For the avoidance of doubt, the delay or absence of payment by Buyer cannot be considered by itself as an Excusable Delay.

(g) In case of Excusable Delay, the contractual delivery date shall be extended by such period of time reasonably required to remove and/or overcome the event of Excusable Delay and its effects.

(h) Any Helicopter serial number referenced in the Purchase Agreement (if any), is subject to change at Seller's sole discretion.

Paragraph 5 - MODIFIED LIMITED WARRANTY

(a) Seller warrants each new Helicopter and Parts and tools manufactured by Helicopter Manufacturer purchased under this Contract to be (i) free from defects in material and workmanship *and (ii) to conform in all material respects to the Exhibit 1 Aircraft Configuration refenced in this Agreement,* under normal use and service. Seller's obligation under this warranty is limited to replacing or repairing Parts or tools that have been returned to Seller's facility and, at the time of return, are eligible for repair or replacement under this warranty, *such eligibility not to be unreasonably denied, conditioned, or delayed.* To be eligible for repair or replacement under this warranty, the alleged failure must have occurred within the following time limits:

(1) With respect to Helicopter(s) and optional equipment manufactured by Helicopter Manufacturer: 2000 flying hours or -36- months after delivery to Buyer, whichever occurs first.

(2) Seller agrees to credit Buyer at the rate specified below for reasonable labor hours solely related to direct removal and re-installation of Parts covered by approved warranty claims, but only during the first twelve (12) months of warranty coverage. The credit will be subject to prior investigation and acceptance by Seller and will be credited to Buyer's trade account for future spares orders only, or at Buyer's election, applied against other amounts then due. All credits must be used within 12 months of issue, except that this 12-month period shall be tolled during any good-faith dispute regarding coverage. All compensation for labor rates will be credited at $190/hour.

(3) With respect to new Spare Parts manufactured by Helicopter Manufacturer, the earlier of: (i) 1000 flying hours; (ii) 12 months after installation; or (iii) 24 months after delivery to Buyer; and

(4) With respect to tools manufactured by Helicopter Manufacturer, 24 months after the tool is delivered to Buyer.

(b) The Parts provided under this warranty, as warranty replacement Parts, may be new, repaired or otherwise serviceable components/Parts and shall be covered by the balance of the warranty period still remaining against the new Helicopter and/or replaced Part as applicable.

(c) As soon as possible, but *within thirty (30) days after the date Buyer discovers or should have discovered a part failure, Buyer shall obtain a Return Material Authorization ("RMA") and return the allegedly failed part or parts to Seller's factory, freight prepaid. Prior to or concurrently with shipment of any allegedly failed part or parts, Buyer shall furnish to Seller in writing full details of Buyer's claim and the basis thereof,* by using a warranty claim form provided by Seller, the full details of its claim and the basis thereof. As soon as it receives said form, Seller will forward to Buyer a warranty claim acknowledgment and a Return Material Authorization (RMA) number. Return Material Authorization means the form provided by Seller for purposes of this warranty paragraph and/or Repair & Overhaul Service. Within thirty (30) calendar days following the receipt of such documents, Buyer shall return the allegedly defective Parts to the Seller. If the Buyer fails to timely return the allegedly defective Parts, Seller reserves the right to invoice the replacement Parts which have been ordered or produced for Buyer at the price stated in Seller's relevant price list then in force, or in the relevant quotation. Risk of loss or damage during transportation of Parts returned to Seller shall be borne entirely by Buyer. Risk of loss or damage during transportation of replacement Parts to Buyer shall be borne entirely by Buyer until *receipt by Seller; for Parts determined to be covered under this warranty, Seller shall reimburse Buyer's reasonable inbound shipping, customs, and insurance costs, and shall bear risk of loss and all shipping/insurance/customs charges for outbound replacement Parts to Buyer. Buyer shall provide Seller with carrier invoices showing actuals to be reimbursed to Buyer.* Insurance, customs expenses and other charges, as well as the expenses incurred by Buyer for the removal, *return*, re-installation and related costs and expenses with respect to such Part or Parts, shall by borne by Buyer, except as specifically provided otherwise herein. With written approval from Seller's Warranty Administrator, selected Parts may be retained at Buyer's site to be scrapped locally. Claims will not be processed until a completed claim by Buyer has been approved in writing by a Technical Representative of Seller and forwarded to and received by Seller's Warranty office, Grand Prairie, Texas, *such approval not be unreasonably withheld or delayed.*
Note: Parts/Components ordered as replacement Parts must be identified by Buyer and acknowledged by Seller as "warranty replacements" at the time of order. All spare Parts orders are governed by the Seller's spare parts terms and conditions as found on AirbusWorld.

(d) This warranty shall apply only to the extent the Helicopter and the Parts installed therein are operated and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), Helicopter Manufacturer's and/or Seller's service bulletins, service letters, alerts, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. This warranty shall apply to Spare Parts only to the extent they are properly stored and installed, operated, and maintained in accordance with the instructions contained in the Flight Manual, the airframe or component Maintenance Manual (whichever is applicable), Helicopter Manufacturer's and/or Seller's service bulletins, service letters, alerts, and maintenance notices, any other technical documentation or service information supplied by Seller to Buyer, and any revisions to any of the foregoing. Seller's warranty shall not be enlarged, diminished, or affected by, and no obligation or liability shall arise out of, Seller rendering technical advice, assistance or service in connection with *the Products unless expressly stated to be part of this warranty in a writing signed by Seller.*

(e) In Seller's sole discretion, if Buyer modifies repairs or alters any Helicopter or Part sold hereunder in any manner without the prior written approval of Seller, such modification, repair or *alteration that affects the warranted condition or causes or contributes to any failure* shall cause this warranty to terminate and be of no further force and effect.

(f) This warranty may not be extended, altered or varied except by prior written agreement signed by Buyer and Seller. This warranty is granted to Buyer personally and shall not be assigned by Buyer without Seller's prior written consent, *which shall not be unreasonably delayed or withheld.*

(g) **SELLER AND HELICOPTER MANUFACTURER DISCLAIM AND EXCLUDE FROM THIS CONTRACT ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, STATUTORY WARRANTIES, OTHER EXPRESS WARRANTIES, AND ANY IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE EXPRESS WARRANTY SET FORTH ABOVE IS GIVEN IN LIEU OF: (i) ALL OTHER WARRANTIES AND (ii) ANY OBLIGATION OR LIABILITY OF, RIGHT OR CLAIM AGAINST, OR REMEDY FROM SELLER OR HELICOPTER MANUFACTURER, IN CONTRACT OR IN TORT, INCLUDING PRODUCTS LIABILITY BASED ON SELLER'S OR HELICOPTER MANUFACTURER'S STRICT LIABILITY OR NEGLIGENCE. THE RIGHTS AND REMEDIES PROVIDED IN THIS CONTRACT ARE EXCLUSIVE IN CONNECTION WITH THE SALE OF HELICOPTER MANUFACTURER'S AND SELLER'S PRODUCT(S). THE STATED EXPRESS WARRANTY PROVIDED HEREIN CONSTITUTES SELLER'S SOLE LIABILITY IN**

CASE OF BREACH OF THE WARRANTY OBLIGATIONS, AND IS EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTY OR REMEDY AVAILABLE UNDER THE CONTRACT OR AT LAW.
HELICOPTER MANUFACTURER AND SELLER MAKE NO WARRANTY WITH RESPECT TO TURBINE ENGINES, AVIONICS EQUIPMENT OR ANY THIRD-PARTY AIRCRAFT INTERIOR AS APPLICABLE. FOR WARRANTY ON THESE EXCLUDED PARTS, BUYER MUST LOOK TO THE ORIGINAL MANUFACTURER. AT BUYER'S WRITTEN REQUEST, SELLER WILL ASSIGN TO BUYER ANY WARRANTY RIGHTS IT MAY HAVE RECEIVED WITH RESPECT TO SUCH ITEMS OR PARTS TO THE EXTENT SUCH RIGHTS ARE ASSIGNABLE. NORMAL WEAR AND TEAR OF PARTS SUCH AS SEALS, TIRES, INNER TUBES, BULBS, LEAD-ACID BATTERIES, PACKINGS, AND SIMILAR CONSUMABLE PARTS, AS WELL AS THOSE PARTS WHOSE LIST PRICE IS $50.00 OR LESS, ARE EXCLUDED FROM COVERAGE UNDER THIS WARRANTY.

(h) The Seller warrants the software identified in the applicable Helicopter specification provided that in the event of any alleged non-conformity, the Buyer provides one hundred eighty (180) calendar days' notice to Seller from the date of delivery of the Helicopter to the Buyer of any alleged non-conformity. Software will only be considered as non-conforming, if there are substantial deviations of the functions supported by software from the Helicopter specifications. The Seller will remedy such non-conforming software for the considered Helicopter by, at its sole discretion, either providing a correction release of the software or by finding a reasonable workaround. The Buyer shall supply the Seller with all necessary information and documentation in its possession, to enable the Seller to investigate and rectify such non-conforming software. Any SaaS, including any and all of their supporting elements and content, are provided "as is" and "as available".

Paragraph 6 - TECHNICAL PUBLICATIONS

(a) Seller shall supply at no additional cost to Buyer:
- (1) One interactive electronic support O.R.I.O.N (Optimized Reader for Internet and Other Networks) with the documentation necessary for the identification and maintenance of Parts for operation and routine servicing, for each Helicopter delivered. Buyer has access through e-TechPub on AirbusWorld to:
  - o O.R.I.O.N Online for reading only
  - o O.R.I.O.N Offline for download
- (2) One Hard Copy of
  - o The Flight Manual for each Helicopter purchased by Buyer hereunder. Each Flight Manual will be customized to the specific configuration at delivery of the corresponding Helicopter. For H160 model aircraft, an electronic Flight Manual will be delivered to the Buyer.
- (3) Access to Technical Information Publication on Internet (T.I.P.I.) for:
  - o The Service Bulletins and their subsequent updates;
  - o The Master Servicing Manual;
  - o An access to eDynamic Trouble Shooting (eDTS) for Helionix® equipped Helicopters.
- (4) At no additional cost for three (3) years from acceptance of Product(s):
  - o One (1) electronic support (EVIDOC CMM) with the documentation necessary for the maintenance of the Parts installed on the Helicopter, and for which the suppliers have granted copyrights to Helicopter Manufacturer, for each Helicopter purchased. Buyer will have access to the technical publication through e-TechPub on AirbusWorld.
- (5) The technical publication is initially provided at the latest available revision level. All technical data will be provided by Seller in English.
- (6) Seller shall supply at no additional cost and as long as the Helicopter is in operation, the updated versions of O.R.I.O.N and of the Flight Manual. The Master Servicing Manual and the Service Bulletins will be updated on T.I.P.I or such other system as Helicopter Manufacturer may implement for updating these publications.
- (7) The Seller provides the Buyer, at no additional costs per delivered Helionix® equipped Helicopter, with an as delivered configuration data pack to ease the initialization of Buyer's maintenance information system. The data pack will be delivered in standard electronic format. The Seller will choose the electronic format(s) at its sole option and may change from time to time.
- (8) The Seller reserves the right to change the support media of the technical data in particular depending on technological developments,
- (9) Technical publications are provided to the Buyer only and cannot be transferred or assigned to any third party.

Paragraph 7 - TRAINING

Unless otherwise stated in the Contract, Training Services shall be performed in accordance with the elements stated in the table below for the applicable aircraft model.

Model	Pilot Training	Airframe/Engine Technician Training	Avionics Technician Training	Flight Training Performed in: Buyer/Seller Asset	Location	Simulator Only Training Y/N
H125	2 slots	1 slot	N/A	Seller	Grand Prairie, Texas	No
H130	2 slots	1 slot	N/A	Buyer	Grand Prairie, Texas	No
H135	2 slots	2 slots	1 slot	Buyer	Grand Prairie, Texas	No
H145	2 slots	2 slots	1 slot	Seller	Grand Prairie, Texas	Yes
H160	2 slots	3 combination slots		Seller	Grand Prairie, Texas Marignane, France	Yes
H175	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H215	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes
H225	2 slots	2 slots	1 slot	Seller	Marignane, France	Yes

Seller may modify the content of Training Services to incorporate new regulatory requirements without the consent of Buyer so long as the modifications do not affect the price and/or schedule. If new regulatory requirements affect the price, duration, or delivery date of the Training Services, Seller and Buyer shall agree in writing to any required adjustments to the Contract. If the Parties fail to reach an agreement within thirty (30) calendar days of Seller giving written notice to Buyer of proposed adjustments, Seller shall be entitled to terminate the Contract in accordance with the provisions of Paragraph 12. For

H145 aircraft, Visual Flight Rules ("VFR") training is provided standard and is included in the base price. In the event Buyer desires proficiency training under Instrument Flight Rules ("IFR") for a pilot who is already current with IFR operations, course information and related prices can be provided upon request.

(a) **Pilot Training**

(1) In accordance with the elements stated in the table above for each applicable aircraft model, Seller shall provide transition training for Buyer's pilots who are proficient in helicopter flying for each new Helicopter purchased hereunder provided (i) such training is commenced within one (1) year of the delivery date hereunder, but courses can be taken prior to the delivery date and (ii) both pilots may attend the same ground school or two separate classes at no additional charge. Flight training for each pilot shall be performed in accordance with the elements stated in the table above after
transfer of title to the Helicopter(s) to Buyer, unless the Parties specifically agree otherwise. Transition training shall be in accordance with Seller's program of instruction. Seller reserves the right to set minimum competency requirements for any pilot to be trained hereunder and to refuse to train any pilot not meeting those requirements.

(2) Buyer may elect to have additional qualified pilots trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional pilot to be trained.

(3) Buyer acknowledges that the transition procedures include, in addition to standard flight operations, the actual performance of emergency flight procedures simulating non-standard flight conditions. Buyer hereby accepts the risk of injury, loss, and damage associated with instruction in emergency flight procedures.

(4) Buyer hereby assumes all risk of loss, injury and damage to Buyer's Helicopter(s), employees, representatives or agents during any training including without limitation, consequential or incidental damages, loss of use or injury.

(b) **Maintenance Training**

(1) For each new Helicopter purchased hereunder, Seller will provide ground courses covering field maintenance on the airframe and engine. In accordance with the elements defined in the table above for each applicable aircraft model, Buyer may elect to send qualified technicians to any scheduled Field Maintenance training courses and any scheduled Avionics training course (as applicable) during the six (6) months prior to delivery of the Helicopter or up to one (1) year after its delivery. Seller reserves the right to set minimum competency requirements for any technician to be trained hereunder and to refuse to train any technician not meeting those requirements.

(2) Buyer may elect to have additional qualified technicians trained hereunder. Buyer shall be charged at the prevailing rate established by Seller for each additional technician to be trained.

(c) **General**

(1) Buyer shall be responsible for loss or injury to Buyer's property, employees, representatives or agents at all times while at Seller's facility when transition or maintenance training is a reason for such time spent at Seller's facility, unless such loss or injury in any manner arises out of the negligent acts or omissions or willful misconduct of Seller or its employees, representatives and agents. Furthermore, Buyer shall hold Seller and its employees and agents harmless for any such loss or injury unless such loss or injury in any manner arises out of the negligent acts or omissions or willful misconduct of Seller or its employees, representatives and agents.

(2) All expenses and liabilities of Buyer or Buyer's personnel for travel to and from the Seller's training facility, and stay during training, shall be borne by Buyer. Seller reserves the right to refuse to provide training to any pilot or technician at its sole and reasonable discretion.

(3) The training and technical assistance provided for herein applies only to the original purchase of a new Helicopter and is not transferable without the prior written consent of the Seller, which shall not be unreasonably withheld.

(4) Reasonable insurance coverage of risks arising from the Training Services will be included in Seller's insurance policy. Seller may provide the certificate for such coverage to Buyer at its request.

(5) Buyer shall lose the benefit of these Training Services if it fails to send its personnel at the date agreed upon with Seller according to the above-mentioned deadlines. If Buyer decides not to fully or partially take part in the training, no credit will be granted by Seller.

(6) All training courses and the associated documentation will be provided in English. The Seller highly recommends that the Buyer's trainees have English ICAO Level 4 or Test of English for International Communication ("TOEIC") with a score of 605–780 as a minimum to follow the training courses. In all cases, a TOEIC score of 405-600 (or equivalent) is required as a mandatory minimum to participate in the training courses. In the event that the Buyer requires the services of an Aeronautical Specialist Interpreter ("ASI"), all costs related to this additional service will be at the Buyer's expense. If the Buyer decides to provide its own non-ASI interpreter ("Buyer's Interpreter"), the Buyer is solely responsible and fully liable for the performance of the Buyer's Interpreter. The Buyer's Interpreter will not be considered a trainee. In addition, the Buyer warrants and represents that the Buyer's Interpreter will have the proper skill, training, background, knowledge, experience, rights, authorizations, and licenses as necessary to perform the translation services in a competent and professional manner. The Seller will not be responsible for the quality and accuracy of any translation. The Seller reserves the right to monitor the performance of Buyer's Interpreter and if necessary, as determined in Seller's sole discretion, utilize the services of a validated ASI at the Buyer's expense.

(d) **Distance Training**

Some training courses may also be conducted in a remote mode; the distance training being provided on an "as available basis". The Seller will use web videoconferencing applications to perform Training in a remote mode. Course duration may be impacted due to the remote mode.

Confidentiality is warranted as defined in the applicable conditions of the web videoconferencing applications. The Buyer undertakes to comply with the terms and conditions of the services provided by the Seller through web videoconferencing application and shall hold the Seller harmless from and against any consequence of a breach thereof, except to the extent caused by Seller negligence or intentional misconduct. The Seller will choose the web videoconferencing applications at its sole option and may change from time to time.

Appropriate equipment, connectivity and telecommunication services are required to allow the Buyer to perform the remote Training. The choice of the Buyer's equipment, connectivity and telecommunications service providers remains the sole responsibility of the Buyer. The costs of these connectivity and telecommunication services shall be borne exclusively by the Buyer. The Seller shall in no event be responsible for a degraded performance due to an inappropriate Buyer's choice. The Buyer recognizes also that the good performance of the connection during the remote Training depends on the bandwidth. The Seller shall not be liable of any defective bandwidth.

An IT requirement list is sent to the customer before the course. The Buyer shall reasonably ensure the availability of appropriate IT equipment and environment (hardware, software, internet, minimal bandwidth and e-mails access - in general a webcam is mandatory) and the appropriate comfort for its trainees (such as but not limited to thermal and acoustic environment allowing to work concentrated without disruption and proper lighting).

Training manuals are provided to trainees before the course as download file or paper version or on an electronic device, as available.

Each Party remains solely and exclusively responsible for the information exchanged and shall take any appropriate action in order to:

o comply with the applicable laws and regulations;

o ensure that none of the information exchanged contravene public policy.

Paragraph 8 - PRICE ADJUSTMENT AND PRODUCT SPECIFICATION CHANGE

(a) Pursuant to new manufacturing or engineering requirements, obsolescence or new regulations or to any currently unknown and unforeseeable impacts of the COVID-19 pandemic, Seller shall be entitled to carry out modifications upon reasonable notice and reasonable supporting documentation without the consent of Buyer, provided such modifications do not materially affect the specifications or performance of the Products and/or Services, related costs or delivery time. Should the requirements affect specifications or performance of the Product and/or Services, related costs and/or delivery time, Seller and Buyer shall mutually agree in writing to an equitable adjustment in the price and/or schedule based on Seller's documented, reasonable, and non-recoverable increased costs and commensurate schedule relief. Notwithstanding anything to the contrary, if the Parties fail to reach an agreement within thirty (30) calendar days of Seller notifying Buyer in writing of the proposed adjustment, either Party may terminate the Contract upon written notice to the other Party. The Parties agree to work together to reach a fair and equitable termination agreement within thirty (30) calendar days of receipt of such written termination notice.

(b) Any Buyer requested changes, including configuration changes, which result in an impact to cost and/or delivery schedule require written agreement of Seller and Buyer to an equitable adjustment in price and/or delivery schedule prior to implementation of Buyer's requested changes.

(c) Buyer agrees that the aircraft will remain registered on the FAA's civil registry and under U.S. ownership for a minimum period of nine (9) months after delivery. In the event the aircraft is de-registered from the FAA's civil registry prior to the end of this nine (9) month period, Buyer agrees to pay Seller, within thirty (30) calendar days from the date of de-registration of the aircraft, two percent (2%) of the total purchase price, before any applicable discount was applied, for twin engine aircraft and four percent (4%) of the total purchase price, before any such discounts, for single engine aircraft.

Paragraph 9 - CONFIDENTIALITY

During the performance of the Contract, the confidential information of the Parties shall be protected as follows: the term "Confidential Information" shall mean this Contract and any information or data in whatever form (either in writing or orally, subject to the conditions set forth hereinafter, and including but not limited to any written or printed documents, samples, models or any means of disclosing such Confidential Information that the disclosing Party may elect to use during the life of the Contract), disclosed by either Party to the other and which is designated as confidential by the disclosing Party by an appropriate stamp, legend or any other notice in writing, or when disclosed orally, has been identified as confidential at the time of disclosure and has been promptly (thirty (30) calendar days at the latest) confirmed and designated in writing as Confidential Information of the disclosing Party, or if not so designated would be understood by a reasonable recipient to be confidential.

The receiving Party hereby covenants that, from the effective date of the Contract, the Confidential Information received from the disclosing Party shall, to the fullest extent permitted by law:

(a) be protected and kept in strict confidence by the receiving Party, which must use the same degree of precaution and safeguards as it uses to protect its own Confidential Information of like importance, but in no case any less than reasonable care;

(b) be only disclosed to and used by those persons within the receiving Party's organization (including temporary workers) and its Affiliates, external counsels, lawyers, accountants, auditors, banks, insurers and IT Service Providers, who have a need to know and solely for the purpose specified in the Contract (and provided such entities are bound by confidentiality obligations either at least as constraining or resulting from a professional duty by operation of law);

(c) not be used, in whole or in part, for any purpose other than the purpose of the Contract without the prior written consent of the disclosing Party;

(d) neither be disclosed nor caused to be disclosed, whether directly or indirectly to any third Party or persons other than those mentioned in Subparagraph 9(b) above; and

(e) neither be copied nor otherwise reproduced nor duplicated, in whole or in part, where such copying, reproduction or duplication has not been specifically authorized in writing by the disclosing Party.

The obligations of confidentiality/use restriction will not apply to any Confidential Information that the receiving Party proves:

(a) was in the public domain prior to the date of the Contract or subsequently came into the public domain through no fault of the receiving Party; or

(b) was lawfully received by the receiving Party from a third party free of any obligation of confidence to such third party; or

(c) was already in the possession of the receiving Party prior to receipt thereof, directly or indirectly, from the disclosing Party; or

(d) is required to be disclosed in a judicial or administrative proceeding after all reasonable legal remedies for maintaining the information in confidence have been exhausted including giving the disclosing Party such advance notice of the possibility of disclosure as practical so the disclosing Party may attempt to stop such disclosure or obtain a protective order concerning such disclosure; or

(e) is subsequently and independently developed by employees, consultants or agent of the receiving Party without reference to the Confidential Information disclosed under the Contract.

Any Confidential Information and copies thereof disclosed by either Party to the other shall, subject to any third party rights, remain the property of the disclosing Party and shall be immediately returned by the receiving Party upon request. Notwithstanding the confidentiality obligations stated in the Contract, the receiving Party may disclose the Confidential Information to any governmental agency or judge legally authorized to have mandatory access to such information, provided however that in these circumstances, the receiving Party shall, prior to disclosure, notify the disclosing Party to give the disclosing Party the opportunity to take appropriate action(s), as far as available, against such disclosure. No right, license, interest or title to the Confidential Information is granted the receiving Party. The Parties agree that in the event of a threatened or actual breach of the terms of this Paragraph 9, the disclosing Party would or will be irreparably harmed, will not have an adequate remedy at law, and will be entitled to seek injunctive relief and/or specific performance as a matter of right from a court of competent jurisdiction, without necessity of posting or providing any bond or other security otherwise required by applicable law. The injunctive relief which the disclosing Party shall be entitled to seek shall include, but is not limited to, an injunction restraining the receiving party from any further breach of this Contract and requiring it to take any affirmative action reasonably necessary to prevent any such further breach. The foregoing remedies will be cumulative of all other remedies which may be available to the disclosing Party hereunder, at law or in equity.

Paragraph 10 - INTELLECTUAL PROPERTY

Seller and/or Helicopter Manufacturer retains all rights in respect of developments, inventions, know-how, production procedures and any intellectual property rights relating to the Products that they manufacture and/or Services related thereto.

Nothing in the Contract shall be construed as a legal transfer of or license to (other than specified hereafter), any patent, utility or design model, copyright, trademark, know-how or other intellectual property right.

Copying and/or reproducing and/or communication and/or transmission to a third party of any of Seller's Products, Services, technical information, publications or training manuals, either wholly or partially, without Seller's express written consent is strictly forbidden (except for copying by Buyer of technical documentation provided by Seller exclusively for the purposes of operation and maintenance of the Helicopter(s) purchased by Buyer under the Contract).

Seller grants the Buyer a non-exclusive, non-transferable license to use

(a) SaaS for the purposes of operating and/or maintaining Helicopter(s), and/or
(b) the executable form of the software on the related Product, for the purposes of operating the Helicopter.

This license does not entitle Buyer to receive free of charge updates of such software. Buyer shall not decompile, disassemble, modify, reverse assemble, reverse engineer or reduce to human readable form, the software except to the extent the foregoing restriction is determined to be invalid or unenforceable under applicable law.

Paragraph 11 - DATA EXCHANGE

(a) **General.** In order to improve the Products, their reliability and availability and Buyer services, Helicopter Manufacturer has set up a data exchange process based on maintenance and operational data coming from Buyer's Helicopters in Service. The data (hereinafter the "Data") will primarily consist of:
   (1) Helicopter data generated by on-board recording systems,
   (2) information system data, such as maintenance, operation, logistics and airworthiness data, and
   (3) data loaded into, transmitted, stored, or generated by the SaaS as a result of the use of the SaaS.

   For these purposes, Buyer, including its designated entity for operations and/or maintenance, hereby authorizes Helicopter Manufacturer on a free and non-exclusive basis:
   (1) to collect such Data.
   (2) to use the Data to create processed data (data which is reconciled, enriched, qualified and analyzed by the Helicopter Manufacturer, hereinafter the "Processed Data").
   (3) to anonymize such Processed Data (Processed data which is anonymized, not enabling to identify the Buyer) (hereinafter the "Anonymous Data"),
   (4) to disclose Data, Anonymous Data and Processed Data internally only to those of its employees (for the avoidance of doubt, this shall include temporary workers) and/or to the Seller having a need to have access to such data for the purpose (*) stated below,
   (5) to disclose Data and Processed Data to partners, suppliers and/or subcontractors of the Seller (i) having a need to have access to such data for the purpose (*) stated below and (ii) being bound by confidentiality obligations,
   (6) to disclose Anonymous Data to partners, suppliers and/or subcontractors of the Seller for the purpose (*) stated below.
   (7) to use and disclose to customers Anonymous Data (including after being complemented with additional sources of Anonymous Data) for the purpose (**) stated below, and
   (8) to store Data, Processed Data and Anonymous Data.

   (*) Disclosure shall be for the purpose of further software and service development, helicopter improvement and expert analysis.
   (**) Trend monitoring, benchmarking services, report issuance, analyses and customer workshops for helicopter maturity.

   Data, Anonymous Data and Processed Data may also be used for the purposes of supporting the Buyer subject to a specific agreement. Buyer remains solely and exclusively responsible for Buyer's Data exchanged. Buyer shall take any appropriate action in order to comply with the applicable laws and regulations, to ensure to the greatest extent reasonably possible that nothing in its Data contravenes public policy and such data is free from any virus, Trojan or the like.

(b) **Data Confidentiality and Intellectual Property.** The Parties agree that any and all Data disclosed by Buyer or its designated entity to Helicopter Manufacturer and/or Seller shall be deemed confidential. Nevertheless, the Helicopter Manufacturer and/or Seller shall be entitled to disclose Data and Processed Data to the persons and entities and at the conditions described above. Anonymous Data (including after being complemented with additional sources of Anonymous Data) can however be used and disclosed by the Helicopter Manufacturer and/or Seller without being subject to any confidentiality limitations/obligations. Helicopter Manufacturer and/or Seller owns all foreground intellectual property and know-how, if any, generated by the outcome of the analysis of the Data, Processed Data and/or Anonymous Data.

(c) **Data Related Liability**. Notwithstanding anything to the contrary in the Contract, the intent of data collection is not to analyze such data in order to detect/prevent potential incidents/accidents, Therefore, the Helicopter Manufacturer and/or Seller shall not be liable towards the Buyer as a result of the mere possession by the Helicopter Manufacturer and/or Seller of the Data or as the result of any exchange or analysis of information collected through the process.

(d) **SaaS.** The Seller provides the Buyer at no additional cost with a package of one (1) year subscriptions (the "Initial Subscription Term") to the following Services, as available depending on the helicopter's type:

- Flight Perfo apps per delivered Helicopter;
- Flight analyser per delivered Helicopter.

Upon the expiration of the Initial Subscription Term, the subscription may then be renewed for subsequent periods of one (1) year at the respective rates annually published by the Seller upon mutual written agreement.

The Buyer hereby acknowledges and agrees that the Buyer and the Users shall abide by the AirbusWorld Terms of Use. The Buyer shall also ensure that all Users comply with the relevant AirbusWorld Terms of Use, available to the Buyer by the Seller upon request and downloadable in their latest version from the application.

Should the Buyer wish to delegate to a third party the access to the SaaS, the Buyer shall ask in writing an authorization that the Seller may accept or refuse at its reasonable discretion.

SaaS will be provided in English and is designed to perform the services as described in the service specification, available to the Buyer by the Seller upon request.

Data loaded via the SaaS are hosted on a cloud. The conditions of the data access and protection are described in the AirbusWorld Terms of Use. The Buyer declares to be fully aware of and authorizes expressly the Seller to store its Data on the cloud and also on secured data platform. Buyer's Data integrity is warranted as defined in the applicable conditions of the Seller's cloud service provider(s) available on the Seller's website when

acceding to the SaaS. The Buyer undertakes to comply with the terms and conditions of the services provided by the Seller through its cloud provider(s). The Seller will choose the cloud provider(s) at its sole option and may change from time to time.

The Buyer remains solely and exclusively responsible for the Buyer's Data exchanged. The Buyer shall take any appropriate action in order to comply with the applicable laws and regulations, to ensure that none of the Buyer's Data exchanged contravene public policy and that they are free from any virus, Trojan horse or the like.

Paragraph 12 - TERMINATION

(a) Extraordinary Termination
Either Party may immediately terminate the Contract by notice in writing to the other Party if:

(1) If either Party becomes insolvent or commits an act of bankruptcy or becomes bankrupt, or takes the benefit of any law that may be in force for bankrupt or insolvent debtors, or becomes involved in voluntary or involuntary winding-up or dissolution or liquidation proceedings, or if a receiver or receiver manager is appointed for all or any portion of a Party's property or if any steps are taken or any action or proceedings are instituted by a Party or any third party, including but not limited to, any court or governmental body of competent jurisdiction for the dissolution, winding-up or liquidation of such Party or its assets, then the other Party may terminate the Contract by written notice to the insolvent Party at any time and without prejudice to any other rights or remedies.

(2) Non-Appropriation (Government Buyer). If Buyer is a governmental entity and the governing body fails to appropriate or allocate funds for this Contract for any fiscal period after the current fiscal year, despite Buyer's good-faith efforts, Buyer may terminate this Contract upon at least thirty (30) days' prior written notice to Seller, identifying the lack of appropriation. In such event, Buyer shall (i) pay all properly invoiced amounts for Products and Services delivered and accepted through the effective termination date; and (ii) return or provide access for retrieval of any undelivered or unaccepted items. Upon such termination, Seller shall refund to Buyer any prepaid amounts (including deposits) for undelivered Products and Services, less Seller's documented, reasonable, and non-recoverable costs actually incurred specifically for Buyer's order that cannot be mitigated, with an itemized statement; Seller shall use commercially reasonable efforts to mitigate, including reallocating production slots or reselling. No termination charges, penalties, or acceleration amounts shall apply beyond the foregoing

(b) Termination for Default
In the event that either Party commits a material breach of its obligations under this Contract and fails to cure that breach within ninety (90) calendar days after receiving written notice of the breach, the other party may terminate this Contract immediately upon written notice to the party in breach. In the case of termination for default, the following shall apply:

(1) In case of default by Buyer:
- Buyer shall reimburse Seller for all costs (including but not limited to raw materials, labor, overhead, storage and financial fees) incurred by Seller or which Seller could not avoid incurring (including termination indemnities, if any, under the contracts between Seller and its subcontractors or suppliers or under the second level contracts or subcontracts),
- Subject to the limitations of liability in this Contract, Buyer will indemnify Seller against any third-party loss, damage or expense which Seller may sustain or incur to the extent directly caused by any Buyer event of default under the Contract, except to the extent caused by Seller's negligence, willful misconduct, or breach; and
- Seller shall be entitled to retain any prior payments and/or deposits previously made by Buyer.

(2) In case of default by Seller:
- Seller shall return to Buyer any BFE/CFE remaining on its premises,
- Seller shall refund Buyer, the amount of any payments received prior to such default, and
- In the event of a multi Helicopter order, Seller shall be entitled to deliver the non-faulty Helicopter(s) and related Services, and shall be paid the corresponding price thereof.

Paragraph 13 - LIABILITY

Notwithstanding any provision to the contrary in the Contract, the total and cumulative liability of Seller under the Contract, due to any and all causes whatsoever, whether based on breach of contract or in tort or otherwise, shall in no event exceed in aggregate an amount equivalent to ten percent (10%) of the total net Contract price.

The above limitation shall not apply in the event of gross negligence, willful misconduct, death or bodily injury.

Each Party shall be responsible for death or bodily injury arising to its own personnel, whatever the cause. The Parties therefore waive the right to any claim against the other in this respect, except if such death or bodily injury is caused by the gross negligence or willful misconduct of the other Party.

In no event shall the Parties be liable for any indirect, consequential, incidental, special or punitive damages of any kind, including, but not limited to, damages for any loss of use or profit, loss of assets, loss resulting from business disruption, loss of goodwill or loss of contractual opportunity by the other Party.

To the extent permitted at law, Seller's obligations and liabilities and Buyer's rights and remedies as set forth in the Contract are exclusive and are in replacement of any and all other remedies under law or otherwise.

Paragraph 14 - GENERAL

(a) In the event of any dispute, claim, question or disagreement arising from or relating to this Contract or the breach thereof, the Parties agree to use their best efforts to settle the dispute, claim, question or disagreement by meeting to pursue resolution through negotiation before resorting to litigation. This Contract and the rights of the Parties hereto shall in every respect be governed by and construed in accordance with the substantive laws of the State of California without regard to its conflict of law principles or reference to the laws of any other state or jurisdiction. Buyer hereby irrevocably consents and agrees that any legal proceeding arising out of or in connection with this Contract or the rights of the Parties hereto may be commenced and prosecuted to conclusion in the County of San Bernardino, California.

(b) Buyer shall neither assign any rights nor delegate any duty under this Contract without the prior written consent of Seller, which shall not be unreasonably withheld.

(c) The signatory for Buyer hereby represents that he/she is Buyer's authorized representative and that Buyer is fully authorized and empowered to enter into this Contract and has full authority to perform the Terms and Conditions hereof. This Contract may be executed in multiple counterparts

which together shall constitute the original hereof. The signature of either Party exchanged by facsimile transmission or electronically via email shall be binding to the same extent, and have the same force and effect, as the exchange of an original written signature.

(d) The language of each provision of this Contract shall be construed as it relates to the entire agreement and accorded its fair meaning without regard to the person who drafted all or any part of this Contract.

(e) If any part of this Contract shall be held by any court of competent jurisdiction to be illegal or unenforceable, the rest of this Contract shall not be affected and shall remain in full force and effect.

(f) Nothing in this Contract shall constitute or create a joint venture, partnership, agency, or any similar relationship between Buyer and Seller. Neither Party will have the authority to enter into contracts on behalf of or bind the other in any respect. Buyer agrees to take such other action and to execute and deliver such agreements or other documents as may be reasonably necessary or desirable to carry out the purposes of the provisions of this Contract.

(g) The provisions of the limited warranty, confidentiality, intellectual property, data exchange, and liability paragraphs of the Contract shall survive and continue to have effect after the termination or expiry for any reason whatsoever of the Contract.

(h) No term or provision hereof will be considered waived by either Party, and no breach excused by either Party, unless such waiver or consent is in writing and signed by both Parties. No consent by either Party to, or waiver of, a breach by either Party, whether express or implied, will constitute a consent to, waiver of, or excuse of any other, different or subsequent breach by either Party.

Paragraph 15 - MODIFICATIONS

This Contract supersedes all other agreements, written or oral, with respect to the understanding and agreement of the Parties. This Contract constitutes the final written expression of all the terms of this Contract and is the complete and exclusive statement of those terms. No modification or amendment, except for approved change order, made to the printed Terms and Conditions of this Contract shall be effective until both Parties shall have signified their acceptance thereto by separately initialing each modification or amendment. Any subsequent modification, amendment, or waiver to this Contract must be in writing and signified by both Buyer and Seller. In the event of any contradictions and/or discrepancies between the parts of the Contract, precedence shall be given in the following decreasing order:

(1) Purchase Agreement
(2) Terms and Conditions
(3) Any other Exhibits, or annexes, in their order of appearance

Paragraph 16 - REGULATORY RULES and EXPORT CONTROL

I. The Parties hereby undertake at all times to (1) comply with all applicable laws and regulations in particular and not limited to national and international anti-corruption, anti-money laundering and Export Regulations, as defined below (together “Regulatory Rules”) and (2) undertake to act in accordance with national and international human rights regulations applicable in their respective countries. In this regard, and in any case, the Arms Trade Treaty and the Geneva Conventions of 1949 shall constitute the Parties’ baseline for human rights ethical behavior.

In case of violation by the Buyer of (i) any Regulatory Rules, including those enforced by the E.U. and/or the U.S., as well as (ii) any of the obligations set forth in this Paragraph 16, the Seller will be entitled to either terminate the Contract or to suspend performance of its obligations under such Contract, and/or any of its obligations arising from any other agreement with the Buyer, forthwith without prior notice and without liability whatsoever without prejudice to any claim that the Seller may have under the Contract or any other agreement.

(a) The Products, goods, Parts, tooling, and data covered by this Contract may be subject to governmental rules and regulations including but not limited to the provisions of US Customs and Border Protection laws (Title 19 of the US Code) and regulations (Title 19 of the Code of Federal Regulations), the Export Administration Act of 1979 (50 USC 2401 et seq.), the Export Administration Regulations (EAR) promulgated thereunder (15 CFR 768-799), the US Arms Export Control Act (22 USC 2778 et seq.), the International Traffic in Arms Regulations (ITAR) (22 CFR 120-128 and 130), and non-U.S. export laws and regulations.
Buyer acknowledges that (1) these US statutes and regulations impose restrictions on the import from and export to countries outside the US of certain categories of goods, and data, (2) licenses from the US Department of State and/or the US Department of Commerce may be required before such goods, and data can be exported and in some cases, imported, (3) these licenses may impose additional restrictions on use and further disclosure of such goods and data, and (4) the export or disclosure of such goods and data to foreign persons is subject to these statutes, regulations, license requirements and restrictions regardless of whether the export occurs in the US or abroad. Notwithstanding the foregoing, the obligation to comply with such regulation shall survive any novation, assignment, or transfer of obligation between the Parties.

(b) The Buyer undertakes to provide truthful, accurate and complete information to the Seller such as may be required by the Seller from time to time to comply with its obligations pursuant to the Regulatory Rules, including but not limited to information on the Buyer’s corporate structure and shareholding, and the source(s) of financing of the Contract. The Contract will only come into force once the Seller has received from the Buyer all required information and performed all necessary verifications pursuant to the Regulatory Rules and to the “Know your Customer” policy of the Seller. During the Contract execution and performance, a) failure by the Buyer to comply with the Regulatory Rules and/or b) Buyer becomes a Sanctioned Person and/or c) performance of either Party’s obligations under the Contract would constitute a breach of Regulatory Rules and/or d) failure by the Buyer to timely provide all necessary information and/or cooperate with the Seller, shall entitle the Seller to terminate the Contract in accordance with the provisions of Paragraph 12 without any prior notice and liability whatsoever.

(c) Irrespective of the applicable Incoterm, if Products are exported directly to a country outside the United States, Seller will provide appropriate export customs documentation to Buyer or its designated freight forwarder. Buyer guarantees correct closure of the related customs procedure(s) in due time on leaving the United States or the country of dispatch. In case of non-compliance, Buyer shall be liable for any additional costs and charges imposed on Seller by the applicable tax authority.

(d) For the purposes of this Contract, the following terms have the following meanings:

(i) “Authorization(s)” means any license, approval, authorization, regulatory registration, consent agreement, exception or exemption to export, re-export, import, transfer or retransfer any Item according to Export Regulations.

(ii) “Export Regulations” means United State of America (“U.S.”), European Union (“E.U.”) and any other applicable law or regulation providing for economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes, export control, regulations, Authorizations or other similar restrictive measures.

(iii) “Item” means hardware, software, technical data/technology(ies)) and/or services.

(iv) "Sanctions Authority" means the government of the U.S. (including, without limitation, the Department of State, the Department of Commerce and the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury), the United Nations Security Council, the E.U., the United Kingdom or the government of any country with jurisdiction over the Parties.

(v) "Sanctioned Person" means any natural or legal person that is:

a. the target of any restriction under Regulatory Rules; or

b. in any list of sanctioned persons of any Sanctions Authority (including the list of Specially Designated Nationals (SDN) and Sectorial or Sanctions Identifications (SSI) list, as issued and administered by OFAC); or

c. directly or indirectly owned or Controlled by any one or several person(s) designated under (a) or (b) above.

II. Export Control

(a) Each Party commits to act in compliance with all applicable Export Regulations and acknowledges that diverting from such Export Regulations is prohibited. The Buyer shall ensure that its supply chain and its customers comply with Export Regulations when dealing with the Seller's Items.

(b) The Parties acknowledge that performance by the Seller of its obligations under the Contract shall remain subject to obtaining, and to the terms of, any required Authorization. The Seller shall not be held liable if an Authorization is not granted or is granted with limited conditions and/or with any delay caused thereby or if an Authorization once granted is amended, suspended, revoked or not renewed. Such event shall be considered as an Excusable Delay as defined in Paragraph 4. It is the Buyer's responsibility to obtain all required Authorizations for the re-export/re-transfer of any Seller's Item or Product in compliance with Export Regulations. Each Party agrees to provide to the other any information, declarations or certifications required according to Export Regulations and with all information necessary to obtain and to comply with any required Authorization (including providing without delay duly completed and signed end-user statement/certificate). Prior to any change in the end-use/end-user or transfer of an item to any third party, the Buyer shall notify the Seller thereof and follow the instructions given by the Seller. When the Items or Products under the Contract are subject to Authorizations, the Buyer undertakes to abide by the content of the Authorizations, including specific end-use/end-user and provisions/conditions and any requirement to obtain a specific re-export authorization. The Buyer hereby waives any right to use any national blocking statute against the Seller to prevent it from complying with Export Regulations.

(c) Should the Buyer be subject to requirements set out in ITAR Part 130 or Part 129, the Buyer shall comply therewith and shall remain solely liable therefor and the Buyer shall provide the Seller with a copy of Authorizations and provide any declaration necessary for the Seller to comply with Export Regulations.

(d) When the Buyer provides any Item or Product to the Seller under the Contract, the Buyer shall ensure that the required Authorization is obtained prior to the delivery. In addition, the Buyer shall provide each Item or Product to the Seller together with all applicable export control information, including classification(s) and the Authorization number when applicable.

(e) The Buyer acknowledges that the Seller's prior approval and the approval from the relevant authorities are required for the Buyer to access any classified export control Item and the Seller has the right to grant, refuse, suspend or revoke such access right at any time without notice. To access any classified export control Item provided by the Seller, the Buyer shall complete and sign the compliance declaration template for Third Party export controlled Items access control provided by the Seller.

(f) Each Party represents to the other as at the date hereof that it is not a Sanctioned Person. If at any time following the signature of the Contract, a Party becomes a Sanctioned Person or performance of a Party's obligations under the Contract would constitute a breach of Export Regulations (a "Sanctions Event"), the impacted Party shall promptly notify the other Party and the Parties shall, to the extent permitted by Export Regulations, consult with each other with a view to mitigating the effects of such Sanctions Event. Such consultation is without prejudice to the right of either Party to suspend without liability its obligations under the Contract, including to the right of the Seller to deny the access to any Item or Product at any time following the occurrence of a Sanctions Event.

(g) The Buyer undertakes to use the Item and/or Product exclusively for civil purposes and not to directly or indirectly sell, import, (re-)export, (sub)lease, or (re-)transfer the Item and/or Product for use or operation in any territory or country that is the target of any sanctions or embargoes under Export Regulations and/or to a Sanctioned Person in violation of Export Regulations.
In particular, the Buyer shall not sell, export or re-export, directly or indirectly, to or for the use in any country sanctioned and/or prohibited under the Regulatory Rules, any Products and/or Services supplied under or in connection with this Contract that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 (also part of the Regulatory Rules). The Buyer shall set up a mechanism to ensure that any third party complies with such prohibition.

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**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 Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 19

SUBJECT: **APPROVAL OF THE MEMORANDUM OF UNDERSTANDING WITH THE COUNTY OF SAN BERNARDINO FOR THE OPERATION OF THE WEST END NAVIGATIONAL CENTER**

RECOMMENDATION: That the City Council take the following actions:

A. Approve the Memorandum of Understanding between the City of Ontario, the County of San Bernardino, and the cities of Chino, Chino Hills, Fontana, Montclair, Rancho Cucamonga, Rialto, and Upland for the operation of the West End Navigation Center.
B. Authorize the City Manager, or his designee to execute the MOU and related documents necessary to implement participation.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: Participation in the Memorandum of Understanding (MOU) requires an annual General Fund contribution of $250,000 for the next three years. After this period, the City will have the option to either extend the partnership or end its participation with no additional financial obligations. If approved additional appropriations will be included in the General Fund at a future budget update to City Council for approval as needed.

BACKGROUND & ANALYSIS: Homelessness continues to present growing public health, safety, and fiscal challenges across the West End region of San Bernardino County. Encampments in parks, flood channels, freeway underpasses, and other public spaces strain municipal resources, impact quality of life, and pose risks to public health and safety.

The 2025 San Bernardino County Point-in-Time (PIT) Count documented 3,837 individuals experiencing homelessness countywide, including 2,636 unsheltered individuals living in vehicles, encampments, or other places not meant for habitation. The West End cities participating in the

MOU have a total of 550 unsheltered homeless individuals.

In response to this regional need, the County of San Bernardino, in partnership with participating West End cities, is developing the West End Navigation Center. The center will be a 200-bed, full-service regional facility located at 11109 Jasmine Street in Fontana.

The West End Navigation Center will be a regional, low-barrier, housing-focused hub that provides emergency shelter, healthcare, and housing under one roof. Designed to provide stability and coordinated care, the West End Navigation Center supports individuals experiencing homelessness as they transition directly into permanent housing.

The West End Navigation Center will offer 200 beds, including 100 emergency shelter beds, 100 recuperative care beds, and a dedicated sobering center. Admissions will be referral-based to maintain safety and ongoing service. Ontario's $250,000 contribution would ensure access to seven beds at the facility for Ontario's homeless in need.

In addition, the City of Ontario is set to open the Ontario Wellness Center in November 2025, which will provide critical services and emergency housing for individuals experiencing homelessness. Participation in this MOU ensures that additional beds at the West End Navigation Center will be available to complement the services offered at the Wellness Center, providing more tools and resources to address homelessness effectively. As the Wellness Center becomes fully operational and potentially expands, Staff will reevaluate the ongoing need for the MOU to ensure the most efficient and coordinated approach to serving Ontario's homeless population.

On-site partners will provide behavioral and public health services, substance use treatment, workforce development and housing support. Guests can bring pets, belongings, and partners, which helps reduce barriers to getting help for many individuals. Participants will receive comprehensive services, including case management, meals, transportation, and assistance with benefits to promote long-term stability.

By bringing all these services together, the Center improves coordination, avoids confusion, and provides better, more affordable results from homelessness to housing.

The City of Fontana has purchased the facility and is currently working on design and site planning. Construction is expected to take 9 - 12 months, with a target opening in January 2027.

The County of San Bernardino has committed $25 million to establish the West End Navigation Center, reducing upfront costs for the cities who choose to participate. Regional cost-sharing agreements will ensure fair participation and lower costs for all parties. Every local dollar invested will leverage additional County, State, and healthcare resources, creating long-term community and fiscal benefits.

Staff recommends participation in the Memorandum of Understanding, as it strengthens regional collaboration, leverages resources, and secures an additional seven beds for Ontario's homeless population, enabling City staff to better address homelessness in Ontario.

MEMORANDUM OF UNDERSTANDING

between

THE CITIES OF CHINO, CHINO HILLS, FONTANA, MONTCLAIR, ONTARIO, RANCHO CUCAMONGA, RIALTO, and UPLAND

and

SAN BERNARDINO COUNTY

for the

OPERATION OF A REGIONAL NAVIGATION CENTER

This Memorandum of Understanding ("MOU") is entered into as of December 16, 2025 ("Effective Date") by and between the Cities of Chino, Chino Hills, Fontana, Montclair, Ontario, Rancho Cucamonga, Rialto, and Upland, each of which is a municipal corporation organized and existing under the laws of the State of California (referred to individually as "City Party" and collectively as "the City Parties"), and San Bernardino County, a political subdivision of the State of California ("County"). The City Parties and the County may be referred to individually as "Party" and collectively as "the Parties."

Recitals

WHEREAS, the Parties, like many regions throughout California, have experienced significant growth in their unhoused population in recent years, presenting complex challenges driven by untreated substance use and mental health disorders, rising housing costs, and insufficient emergency, transitional, and affordable housing resources; and

WHEREAS, this growth in the unhoused population has resulted in increased incidents of camping and loitering on public rights-of-way, parks, and other public property within the Parties' jurisdictions, creating public health and safety concerns while straining municipal resources; and

WHEREAS, the Parties desire to cooperate to address homelessness through collaborative, evidence-based approaches that prioritize both public safety and the dignified treatment of unhoused individuals; and

WHEREAS, the Parties seek to implement comprehensive solutions to balance enforcement with meaningful support services; and

WHEREAS, the Parties recognize that addressing homelessness effectively requires collaborative regional efforts and hereby commit to establishing an emergency housing facility that offers integrated support services—including case management, behavioral health care, medical oversight, coordinated social services, transportation support, and housing placement assistance—designed to help residents successfully transition to permanent, stable housing; and

WHEREAS, the Parties further commit to establishing clear pathways from emergency housing to permanent housing solutions by providing coordinated access to transitional housing, permanent supportive housing, and affordable housing opportunities within their respective jurisdictions; and

WHEREAS, the Parties recognize the need for professional expertise in delivering trauma-informed, comprehensive services that address the complex needs of unhoused individuals and families; and

WHEREAS, this collaborative approach represents the Parties' commitment to addressing homelessness through shared resources, coordinated planning, and evidence-based practices that serve both unhoused individuals and the broader community; and

WHEREAS, the Parties' respective governing bodies have reviewed and approved this MOU, finding that this regional partnership advances the health, safety, and welfare of all residents within their jurisdictions; and

WHEREAS, the Parties desire to cooperate in good faith to operate a new regional emergency housing and services center; and

WHEREAS, the Parties desire to define the responsibilities of each Party with respect to the funding and operation of a new Regional Navigation Center.

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I. RECITALS

The Recitals set forth above are true and correct and are hereby incorporated and made a substantive part of this MOU by this reference.

II. PURPOSE

A. The Parties desire to work together cooperatively and in good faith towards funding and operating a Regional Navigation Center ("Facility"). The Facility will operate as a referral-only facility with managed access protocols designed to ensure safety and security for all participants. The Facility will serve individuals who meet established eligibility criteria for each program component, providing comprehensive in-house services, case management, medical oversight, and coordinated service delivery within an environment optimized for successful outcomes.

B. This MOU is intended to define the rights and responsibilities of the Parties with respect to the establishment, funding, and operation of the Facility for homeless individuals as defined by the U.S. Department of Housing and Urban Development (HUD) and the State of California, including individual adults (persons 18-years of age or older), individual adults (parent or guardian) with children, and families (married or unmarried adult partners with children) experiencing homelessness within the referring Party's respective jurisdiction, as further described herein.

III. TERM

A. **Initial Term, Extension**. This MOU shall be effective as of the Effective Date and shall remain in force and effect for ten (10) years unless terminated earlier by mutual agreement of the Parties pursuant to Section IV of this MOU. Thereafter, this MOU shall automatically renew for one additional five (5) year term unless any Party provides written notice of non-renewal to all other Parties at least ninety (90) days prior to the expiration of the initial term, or the Parties may mutually agree in writing to a renewal term of two (2), three (3), or four (4) years instead.

B. **Renewal**. After the initial term and first extension, as provided for in Section III.A of this MOU, lapse, the terms of this MOU may be renegotiated between the Parties, for a successor MOU, or the Parties may agree, upon written approval of their respective governing Boards or Councils, to extend this Agreement for consecutive one-year terms.

IV. TERMINATION

A. **Mutual Termination.** Notwithstanding the term set forth in Section III.A of this MOU, this MOU may be terminated at any time upon the written agreement of at least six (6) City Parties and the County to this MOU. Such termination shall be evidenced by a written instrument executed by the authorized representatives of at least six (6) participating city jurisdictions and the County, and shall specify the effective date of termination.

B. **Individual Party Withdrawal.** Beginning in the ninth (9th) year after the Effective Date of this MOU, any City Party may withdraw from this MOU by providing twelve (12) months advance written notice to all other Parties. The withdrawing Party must continue all obligations, including timely payment of costs and any applicable termination fees,

through the effective date of withdrawal. Notwithstanding the above, beginning in the third (3rd) year after the Effective Date of this MOU, the City of Ontario may withdraw from this MOU by providing three (3) months advance written notice to all other Parties.

C. **Termination Fee Prior to End of Ten-Year Term**. The termination fee payable by any City Party terminating its participation pursuant to Section IV.B of this MOU shall be equal to the unpaid portion of the ten (10) year commitment as calculated from the effective date of termination through the end of the Term. The termination fee shall be paid by the terminating City Party to the County not later than six (6) months before the effective date of termination, unless another agreeable date is reached and agreed to by the County. Failure to timely remit the termination fee shall render a City Party's notice of termination ineffective. Notwithstanding the above, the City of Ontario shall not be subject to the termination fee regardless of whether Ontario terminates the agreement upon three (3) years of Facility operations or later.

V. COUNTY RESPONSIBILITIES

A. **Facility**. The County shall be responsible for the acquisition and operation of the Facility, to be located at 11109 Jasmine Street, Fontana, California 92337.

B. **Host City.** The City of Fontana agrees to serve as the host city for the Facility and to allow the Facility to be located and operated within its jurisdiction for the purposes set forth in this MOU for such term as the MOU remains in force and effect. As host city, the City of Fontana shall provide or facilitate necessary municipal services, permits, zoning approvals, and regulatory compliance required for the Facility's operation, notwithstanding any possible termination of the City of Fontana's participation in the MOU pursuant to Section IV of this MOU. The County agrees to coordinate with the City of Fontana in its role as host city and to support Fontana in fulfilling its host city responsibilities.

C. **Establishment of Facility**. The County agrees to be responsible for the acquisition of the Facility, property start-up costs, and its identified portion of operational costs as set forth in Section VII of this MOU. The County shall pay all costs and expenses associated with the operation and maintenance of the Facility and the provision of services at the Facility, except for the amounts set forth in Section VII of this MOU for which the City Parties shall be responsible. Annual operating costs that exceed the agreed-upon threshold established in Section VII shall be subject to negotiation among all Parties prior to the County's obligation to pay such excess costs.

D. **Vendor of Choice**. The operation and management of the Facility and the provision of the services at the Facility, as described in Section VI of this MOU, shall be performed by a vendor selected by the County through a County-directed procurement process.

1. **Operations Agreement**. The County and Facility Operator, and other vendors and sub-vendors as determined necessary and appropriate by the County, shall enter into agreement for operation and management of the Facility, such duties to encompass, among other things, the matters described in Section VI of this MOU.

2. **Vendor Oversight**. The County shall, at all times, have the duty and responsibility to oversee the conduct and performance of any vendor and sub-vendors, and take appropriate measures to ensure vendors are, at all times, in compliance with the

provisions of this MOU and any operations agreements between the County and such vendors.

E. **Mission Oversight**. The County shall oversee the successful achievement of the Facility's mission to serve the unhoused population and achieve a short- and long-term reduction in the unhoused population within the jurisdictions of the Parties.

F. **Service Outcomes**. The County shall oversee service outcomes related to the sheltering, care, and treatment of Facility clients.

G. **County Insurance**. The County shall obtain and maintain appropriate policies of insurance or self-insured retention in accordance with the minimum requirements for the types and amounts of coverage established by the County's risk management standards, or as otherwise established in policies established by the County for operation of the Facility.

H. **Indemnification and Insurance Requirements**

1. Indemnification. To the fullest extent permitted by law, County shall indemnify and hold harmless City Parties, and each of them (individually, a "City Party"), together with their officials, officers, employees, agents, and volunteers from and against any and all claims, actions, losses, liabilities, damages, costs and expenses, including attorneys' fees and costs, caused in whole or in part by the negligent or wrongful act, error or omission of County, its officers, agents, employees, consultants, subconsultants, vendors, or sub-vendors (including the officers, employees, agents, contractors and volunteers of any vendor or sub-vendor performing work or services at, or in connection with, the Facility or its operation) in the performance of services under this MOU or the performance of any work or service at or in connection with the Facility or its operation. County's duty to indemnify and hold harmless a City Party shall not extend to that City Party's sole or active negligence.

In the event a City Party is made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services contemplated by this MOU, or the performance of work or services at or in connection with the Facility by any individual or entity, and upon demand by the City Party, County shall defend the City Party at County's cost to the extent the matters arise from, relate to or are caused by County's negligent acts, errors or omissions in connection with the performance of services under this MOU or the negligent acts, errors, or omissions of any County officer, official, employee, consultant, subconsultant, vendor, or sub-vendor (including the officers, employees, agents, contractors and volunteers of any vendor or sub-vendor) in the performance of any work or service at or in connection with the Facility or its operation. In the event of any dispute between County and a City Party, as to whether liability arises from the sole or active negligence of the City Party or its officers, employees, or agents, County will be obligated to pay for City Party's defense until such time as a final judgment has been entered adjudicating the City Party as solely or actively negligent. County will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorneys' fees, expert fees and costs of litigation.

2. **Insurance**. County and City Parties are authorized self-insured or partially self-insured public entities for purposes of Professional Liability, General Liability, Automobile Liability and Worker's Compensation and warrant that through their respective programs of self-insurance and insurance, they have adequate coverage or resources to protect against

liabilities arising out of performance of the terms, conditions or obligations of this Agreement.

I. **Licenses.** The County shall be responsible for obtaining and maintaining, at all times while this MOU is operational and in effect, all business licenses, professional licenses or certifications, and permits, if any, determined by the County to be necessary for operating and providing services at the Facility pursuant to this MOU.

1. **Vendor Licenses.** The County shall ensure that each party providing services or otherwise engaged in the delivery of services to the Facility, including but not limited to the Facility Operator, shall obtain and maintain, at all times, all business licenses, professional licenses or certifications, and permits, if any, determined by the County to be necessary for operating and providing services at the Facility pursuant to this MOU.

J. **Records.** The County shall be responsible for maintaining complete and accurate records with respect to all services and programs performed at the Facility and all costs and expenses incurred pursuant to this MOU. Such records shall be retained during the term of this MOU and for five (5) years after the termination of the MOU. The County shall also be responsible for establishing and maintaining on a current basis an adequate accounting system in accordance with generally accepted accounting principles. The County shall further be responsible during the term of this MOU for the preparation of an annual report to the City Parties, in a format approved by the City Parties, with respect to all services and programs performed at the Facility and all costs and expenses incurred pursuant to this MOU.

1. **Vendor Records.** The County shall ensure that all vendors under contract to provide services to the Facility maintain complete and accurate records with respect to all services and programs performed at the Facility, including records related to all costs and expenses incurred pursuant to their operational agreement with the County. To that end, County must ensure that each of its vendor operating agreements requires the vendor to:
   a) Retain all records during the term of their respective operational agreement and, in the event of termination of the operational agreement, provide and turn over all records maintained by the vendor in relation to services provided under the operational agreement to the County. In the event of dispute related to providing and turning over records to the County, the vendor shall retain such records indefinitely until such matters of dispute are resolved either through mutual agreement, dispute resolution, mediation, or by order of a court of competent jurisdiction.
   b) Be responsible for establishing and maintaining on a current basis an adequate accounting system in accordance with generally accepted accounting principles.
   c) Be responsible during the term of their operational agreement, for the preparation of annual reports required by the County, in a format approved by the County, with respect to all services and programs performed at the Facility and all costs and expenses incurred pursuant to their respective operational agreement.
2. **Data-Sharing.** The County shall provide the City Parties with Homeless Management Information System (HMIS) project-level data on a quarterly basis. The data submission shall include, at a minimum, information on client demographics; services provided; bed utilization records by jurisdiction; project

enrollments and exits; recidivism rates within six (6) to twelve (12) months; housing outcomes and cost incurred per outcome. Data shall be submitted in a format approved by the City Parties and within fifteen (15) days following the end of each quarter. The City Parties reserve the right to request additional HMIS data or performance reports as necessary to evaluate program outcomes and compliance with funding requirements.

K. **Financial Audit.** The County shall annually conduct a financial audit of Facility Operator's financial records related to the performance of this MOU.

1. **Frequency of Audit.** Such audits may be conducted by the County or its authorized representatives at reasonable times during normal business hours upon providing reasonable written notice to vendors. Additional audits may be conducted upon reasonable request by the Parties or in response to security incidents.

2. **Scope and Methodology.** The purpose of such audits is to ensure compliance with the terms of this MOU and to verify the accuracy of vendors' performance. The audit shall be conducted in accordance with industry best practices and any relevant standards specified in this MOU.

3. **Access and Documentation.** Vendors shall provide the County or its authorized representatives with access to all relevant records, documents and facilities necessary to conduct each annual audit. Documents to be audited shall include, but not be limited to invoices, contracts, quality control records, and any other documentation pertinent to the audit scope.

4. **Reporting and Remediation.** Following completion of each annual audit, the County shall report to the Oversight Committee regarding the performance of the vendor, including any identified discrepancies, non-compliance issues, or areas for improvement.

5. **Vendor Compliance/Non-compliance.** The County shall be responsible for addressing issues of non-compliance with the vendor and ensuring timely implementation of corrective actions. The County shall work with the vendor to develop and monitor corrective action plans and take enforcement measures as necessary to ensure full compliance with this MOU and applicable operational agreements.

6. **Confidentiality of Records.** Parties agree to maintain confidentiality of any proprietary, sensitive, confidential, or patient/client information disclosed during the annual audit. All audit-related findings and communications shall be treated as confidential, unless otherwise required by law or regulating authorities.

7. **Costs.**
   a. **Audit Costs.** The County shall bear all costs associated with the annual audit described in this Section V.K. The County shall not charge the City Parties for any expenses directly related to conducting or procuring the annual audit of the Facility Operator's financial records.
   b. **Administrative Fee.** Separately, the County may assess an administrative fee to recover reasonable costs associated with its management and oversight of the Facility, including fiscal administration, contract management, compliance monitoring, and coordination of reporting

requirements. Any such administrative fee shall not exceed a reasonable percentage of total operating costs and shall be disclosed annually to the Oversight Committee as part of the County's presentation of the Facility's annual operating budget.

8. **Dispute Resolution**. Any disputes arising from audit findings or related matters shall be resolved in accordance with dispute resolutions agreed to between the County and vendors, and consistent with the broader dispute resolution process set forth in Section IX.J of this MOU. The County shall make reasonable efforts to mediate and resolve audit-related concerns in collaboration with the Facility Operator and the affected City Parties prior to escalation

L. Oversight Committee. An Oversight Committee is hereby established, comprised of one (1) leadership representative from each participating jurisdiction, who shall be either the City Manager, Chief Executive Officer, or an Elected Official from such jurisdiction. The Oversight Committee shall provide high-level oversight of this MOU and ensure the effective deliverance of the mission. The Oversight Committee shall have the authority to review overall program performance, strategic direction, and compliance with the terms of this MOU. The Oversight Committee shall meet at least once annually to fulfill its duties under this MOU.

M. Operations Committee. An Operations Committee is hereby established, comprised of one (1) representative from each participating jurisdiction who has technical knowledge of homeless and/or housing issues. The Operations Committee shall provide guidance on policy matters, regional collaboration efforts, and referral processes. The Operations Committee shall review statistical reports on a monthly basis and shall meet monthly to fulfill its duties under this MOU. The Operations Committee may make recommendations to the Oversight Committee regarding operational improvements, policy adjustments, and program effectiveness measures.

1. **Committee Representation**. Each participating jurisdiction shall designate its representatives to both the Oversight Committee and Operations Committee within thirty (30) days of executing this MOU. Jurisdictions may change their designated representatives upon written notice to all other Parties, provided that replacement representatives meet the qualifications set forth in this MOU.

2. **County Responsibilities**. In addition to producing and delivering the agenda to the City Parties and conducting meetings of the Committees, the County shall be tasked with the following:
   a) Facilitate communication and discussion during Committee meetings.
   b) Serve as public information officer related to actions of the Committees and matters related to the operation and management of the Facility.
   c) Provide research as needed for the Committees.
   d) Recommend policies for review or development, and ensure existing policies comply with all local, state and federal laws and guidelines by staying up to date with relevant laws and regulations.
   e) Administer a grants program for management and operation of the Facility, report to the Committees on available grants, oversee application for state and federal grants, and retain, disburse or seek reimbursement of grant funds as applicable.

f) Require the Facility vendor for operations and management to submit an annual budget and present the annual budget to the Oversight Committee for review and consideration.

3. **City Parties Responsibilities**. In addition to serving in an advisory role to the County, the City Parties shall be tasked with the following:
   a) Review Operations Committee agenda materials and participate in meetings.
   b) Provide policy recommendations and review current policies as recommended by the County.
   c) Provide grant recommendations.
   d) Review and consider the Facility vendor for operations and management's annual budget.
   e) Serve as ambassadors to further the Facility's mission and vision.

VI. SCOPE OF SERVICES

The Facility will operate as a referral-only, low-barrier emergency shelter with comprehensive services designed to support individuals experiencing homelessness in stabilizing and transitioning to permanent housing. The Facility will be open 24 hours a day, 7 days a week, 365 days per year, and will include three core program components: Emergency Shelter Services, Recuperative Care Services, and Sobering Center Services.

A. Emergency Shelter Services

The Facility will provide congregate and non-congregate emergency shelter accommodations for unhoused individuals referred by participating jurisdictions. Services will include meals, hygiene and laundry facilities, intensive case management, housing navigation, access to public benefits, life skills development, transportation assistance, and coordination with the Coordinated Entry System (CES).

B. Recuperative Care Services

Recuperative care addresses the critical gap between hospital discharge and safe housing for homeless individuals who require continued medical recovery but do not need acute hospital-level care. The Facility shall operate as a recuperative care facility providing temporary residential accommodations, basic medical oversight, medication management, wound care, assistance with activities of daily living, case management, and care coordination. These services are designed for homeless individuals recovering from illness, injury, surgery, or other acute medical conditions who cannot safely recover in traditional shelter environments or on the streets, with the goal of supporting complete medical recovery and facilitating transition to appropriate long-term housing solutions.

C. Sobering Center Services

The Facility will include a monitored space for individuals under the influence of alcohol or other substances who do not require hospitalization. Services will include medical monitoring, crisis intervention, substance use disorder referrals, and coordination with law enforcement and emergency services.

D. Operations and Access Protocols

The Facility will not accept walk-ins. All guests must be referred by an approved entity. A bed reservation system will be maintained to manage referrals and ensure capacity coordination. Upon discharge—whether voluntary or involuntary—the Facility Operator will coordinate alternate housing placement or provide return transportation to the originating city, except in cases involving individuals deemed violent or dangerous, in which case coordination with appropriate agencies (e.g., law enforcement, behavioral health, probation/parole) will occur.

E. Commercial Kitchen and Support Services

The Facility will have a commercial kitchen capable of preparing up to 600 meals daily, accommodating dietary needs and complying with applicable food safety regulations. Guests will also have access to medical and behavioral health services, substance use disorder treatment referrals, discharge planning, aftercare coordination, and benefits enrollment. Services will be delivered in accordance with an Operations Plan developed by the County and the Facility Operator, reviewed by the Operations Committee, and approved by the host jurisdiction.

F. Compliance and Oversight

1. **Low Barrier**. The Facility shall operate as a low-barrier navigation center accessible to homeless individuals and families regardless of income, mental health status, or substance use disorders. The Facility shall accommodate residents' personal belongings, pets, and partners within operational capacity. Barriers to entry shall be minimal, and case managers will provide individualized assessments and service plans based on each person's needs and available resources to support housing stability.

2. **Facility Operations Parameters.** The Operations Plan shall establish the Facility as a coordinated entry navigation center with the following operational requirements:

    a) **Admissions Process.** The Facility shall not accept walk-in admissions. All prospective residents must be referred through a participating jurisdiction, law enforcement or approved healthcare provider and transported by an agency, department, or organization that has been authorized by the County or a participating City Party to conduct outreach and make referrals to the Facility, before admission can occur.

    b) **Resident Movement.** Residents may leave the premises for activities that support their housing stability and personal well-being, including but not limited to healthcare appointments, employment opportunities, educational programs, family reunification efforts, faith-related activities, and other case plan objectives, subject to coordination with Facility staff and available transportation arrangements. For school-age children at the Facility, the Facility Operator shall coordinate with the appropriate local education agency, in accordance with the federal McKinney-Vento Homeless Assistance Act, to ensure safe and reliable transportation to and from school and related educational activities.

    c) **Discharge and Transport.** When a resident is discharged for non-compliance with facility requirements or voluntarily chooses to leave, the

Facility Operator shall coordinate an alternative housing placement if possible. If not available, the Facility Operator will arrange transportation back to the city of origin. Discharges of residents who are deemed violent or otherwise dangerous shall be coordinated with appropriate agencies including law enforcement, behavioral health services, and/or probation or parole officers as necessary for public safety.

d) **Resident Agreement.** Prior to admission, all residents must acknowledge and agree in writing to Facility requirements and applicable provisions of the Operations Plan.

e) **Plan Modifications.** The operational provisions required by this section may not be modified or deleted without advance written approval of all Parties. Notwithstanding the foregoing, the "No Walk-In / No Walk-Out" requirement described in Section VI.F.2(a) and the "Return to City of Origin" provision described in Section VI.F.2(c) are mandatory and shall not be amended, modified, or eliminated under any circumstances.

G. Referral Policies and Protocols. Each Party agrees to develop comprehensive policies and protocols for referral of unhoused persons for their respective jurisdiction to the Facility. Policies and protocols developed by the City Parties shall comply with referral standards established by the County, the Continuum of Care's Coordinated Entry System (CES) and may be subject to review and approval by the Operations Committee.

1. **Bed Reservation System**. A bed reservation system shall be established and maintained to coordinate Facility capacity and ensure efficient placement of referred individuals and families. Referring entities must secure a bed reservation through the CES prior to transportation to the Facility. Access to the bed reservation system may also be granted to prior identified entities, as approved by the County and the Operations Committee, for the purpose of coordinating referrals and monitoring placement activity. Bed reservations shall be valid for a period not to exceed twenty-four (24) hours from the time of confirmation.

2. **Transportation Responsibility**. Transportation to the Facility shall be coordinated by the referring entity (which may include an approved outreach entity). The referring entity shall also coordinate arrival times with Facility staff and shall ensure timely delivery of referred persons within the bed reservation timeframe.

3. **Waivers and Documentation**. Waivers releasing and absolving the Parties of any and all liabilities shall be provided prior to admission to the Facility.

VII. RESPONSIBILITIES OF THE CITY PARTIES

A. The City Parties agree to a pro rata share of costs related to Facility management as detailed in Sections VII.C and VII.D.

B. Bed Allocation Based on Investment Level. Emergency bed allocations per investment level are as follows:

1. Two Hundred Thousand Dollars ($200,000.00): five (5) beds

2. Two Hundred Fifty Thousand Dollars ($250,000.00): seven (7) beds

3. Three Hundred Thousand Dollars ($300,000.00) and above: ten (10) beds

4. The balance of general beds shall be equally allocated to the County and City of Fontana. The County beds will be utilized via referrals from County departments.

5. Investments below Two Hundred Thousand Dollars ($200,000) will not receive a bed allocation and will have access to unused beds if available.

6. Additional bed capacity may be purchased by City Parties at a rate of one hundred twenty-five dollars ($125.00) per bed, per night. Charges will be invoiced monthly by the Facility Operator and must be paid in full within thirty (30) days of receipt.

C. The contributions of the City Parties for the first year of the operation of the Facility, payable to the County on or before the Effective Date, shall total Three Million Dollars ($3,000,000.00) and shall be allocated among the City Parties on the basis generally of the size and population of each City Party and the estimated unhoused population within each jurisdiction for the year prior to the Effective Date. The prorated payment allocations for the initial operational year shall be as follows:

1. Chino: Two Hundred Thousand Dollars ($200,000.00)

2. Chino Hills: Two Hundred Thousand Dollars ($200,000.00)

3. Fontana: One Million Dollars ($1,000,000.00)

4. Montclair: Two Hundred Fifty Thousand Dollars ($250,000.00)

5. Ontario: Two Hundred Fifty Thousand Dollars ($250,000.00) annually for the first three (3) operational years

6. Rancho Cucamonga: Three Hundred Thousand Dollars ($300,000.00)

7. Rialto: Two Hundred Fifty Thousand Dollars ($250,000.00)

8. Upland: Two Hundred Fifty Thousand Dollars ($250,000.00)

9. County: Four Hundred Seventy-Five Thousand Dollars ($475,000.00)

D. For the City of Ontario, this contribution shall be fixed at $250,000 per year for the first three (3) years of Facility operations. After the conclusion of the third year, Ontario shall have no further obligation to provide funding and shall not be entitled to refer or utilize the Facility thereafter, unless Ontario elects to extend the Agreement beyond three (3) years in accordance with Section III.A.

E. Prior to payment, City Parties shall identify the source of funds for payment to ensure the eligible use.

F. Thereafter, the contributions of the City Parties, payable to the County prior to each fiscal year in semi-annual amounts or an annual lump sum payment at the election of each City Party shall be adjusted in July of each fiscal year for the duration of this MOU by the value of the immediately preceding January Consumer Price Index for All Urban Consumers for Riverside-San Bernardino-Ontario, not to exceed five percent (5%) annually. Following

the second (2nd) year of the operation of the Facility, the annual prorated payment allocations of each City Party for subsequent fiscal years shall be adjusted in accordance with the information provided by the most recent Point-in-Time Count, provided that the total annual contributions of all City Parties shall not be less than Three Million Dollars ($3,000,000.00) per year. Agreed upon adjustments, if any, shall be based on good faith negotiations and written agreements between the Parties after review and audit of the actual usage by each Party and the actual cost of operation of the facility for the prior two-year period.

For purposes of this section, a "fiscal year" means the twelve-month period beginning July 1 and ending June 30 of the following year.

G. An annual evaluation of City Party cost allocations shall include a review of grant funds obtained for the Facility during the prior two-year period, and adjustments to City Party contributions shall reflect the impact of such grant funds. The annual evaluation shall also include a utilization review of Facility services by each City Party, and adjustments to contributions may be considered in light of actual usage levels.

H. In the event that the County secures state, federal, or private grant funding that reduces the net operating costs of the Facility, the Parties agree that the annual prorated payment allocations of the City Parties shall be reanalyzed in good faith and adjusted downward to reflect the reduced costs. Any such adjustments shall be applied proportionally based on each City Party's contribution level, unless otherwise agreed to in writing by all Parties.

I. Except as otherwise expressly provided in this MOU, the responsibilities of the City Parties, and each of them, shall be limited to the foregoing monetary contributions. The City Parties shall not be responsible for any of the costs and expenses associated with the establishment, management and operation of the Facility and the provision of services at the Facility in excess of the annual contribution amounts set forth in this Section VII. In addition, none of the City Parties shall be responsible for the provision of any services at the Facility.

VIII. PRINCIPAL REPRESENTATIVES AND NOTICE

A. City Manager or his/her designee is designated as the principal representative of the City of Chino for purposes of communicating with said city on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

B. City Manager or his/her designee is designated as the principal representative of the City of Chino Hills for purposes of communicating with said city on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

C. City Manager or his/her designee is designated as the principal representative of the City of Fontana for purposes of communicating with said city on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

D. City Manager or his/her designee is designated as the principal representative of the City of Montclair for purposes of communicating with said city on any matter associated with

the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

E. City Manager or his/her designee is designated as the principal representative of the City of Ontario for purposes of communicating with said city on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

F. City Manager or his/her designee is designated as the principal representative of the City of Rancho Cucamonga for purposes of communicating with said city on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

G. City Manager or his/her designee is designated as the principal representative of the City of Rialto for purposes of communicating with said city on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

H. City Manager or his/her designee is designated as the principal representative of the City of Upland for purposes of communicating with said city on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties, or any of them, in connection with this MOU.

I. Chief Executive Officer (CEO) or his/her designee is designated as the principal representative of the County for purposes of communicating with the County on any matter associated with the performance of the services set forth in this MOU and for purposes of any notice provided to the Parties or any of them, in connection with this MOU.

J. Any Party may designate another individual as its principal representative by giving written notice of such designation to the other Parties.

K. Notice. All written notices shall also be sent to the City Clerk of the respective City Party or the Clerk of the Board of Supervisors for the County. Notice shall be deemed communicated two (2) County working days from the date of mailing.

IX. MISCELLANEOUS

A. **Compliance with Laws**. The Parties agree to be bound by all applicable, federal, state, and local laws, ordinances, regulations, and directives as they pertain to the performance of this MOU.

B. **Governing Law**. This MOU has been negotiated and executed in the State of California, and its validity and any of its terms or provisions, as well as the rights and duties of the Parties under the MOU, shall be governed by and construed under the laws of the State of California. This MOU is intended by each Party hereto to be deemed and construed to have been jointly prepared by the Parties, and the Parties hereby expressly agree that any uncertainty or ambiguity existing herein shall not be interpreted against any of them.

C. **Entire Agreement**. This MOU supersedes any and all prior or contemporary agreements, either oral or written, between the Parties or any of them with respect to the subject matter of this MOU. This MOU contains all of the covenants and agreements

between the Parties with respect to the subject matter of this MOU, and each Party hereto acknowledges that no representations, inducements, promises or agreements have been made by or on behalf of any Party, except those covenants and agreements in this MOU.

D. **Amendment**. No agreement, statement or promise with respect to the subject matter of this MOU which is not contained in this MOU shall not be valid or binding on any Party without a valid modification or amendment to this MOU in accordance with the approval of the governing bodies of each Party and pursuant to a written instrument signed by all Parties.

E. **Cooperation of the Parties**. The Parties shall cooperate fully in the execution of any other documents and the performance of any other actions required to effectuate and implement this MOU and its terms and intent.

F. **Venue**. In the event of any legal action, suit or proceeding to enforce or interpret this MOU, the sole and exclusive venue shall be a court of competent jurisdiction located in San Bernardino County, California, and the Parties agree to and hereby submit to the jurisdiction of such court, notwithstanding California Code of Civil Procedure section 394. Furthermore, the Parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.

G. **Assignment**. This MOU shall not be assigned by any Party without the prior written consent of all other Parties.

H. **Relationship of the Parties.** Nothing herein is intended or shall be construed as creating the relationship of employer and employee, or principal and agent, between any Party, or any Party's employees or agents. Each Party shall retain all authority for the rendition of services, standards of performance, control of personnel, and other matters incident to the performance of services pursuant to this MOU.

I. **Severability**. If any one or more of the sentences, clauses, paragraphs, or sections contained herein is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this MOU and shall not affect, impair or invalidate any of the remaining provisions contained herein.

J. **Informal Dispute Resolution**. In the event the County determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to this Contract or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

K. **Attorneys' Fees and Costs**. If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney's fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney's fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements.

L. **Review by Attorneys**. Each Party hereto has had its attorney(s) review this MOU. Each Party hereto has consulted with its attorney(s) and has negotiated the terms of this MOU based on such consultation.

M. **Authorization of Persons Executing MOU**. Each of the Parties to this MOU hereby represent that all necessary and appropriate actions of their governing bodies have been taken to make this MOU a binding obligation of the Parties hereto. The persons executing this MOU warrant that they are duly authorized to execute this MOU on behalf of and bind the Parties each purports to represent.

N. **Time is of the Essence**. Time is of the essence in the performance of the obligations under this MOU.

O. **Counterpart Execution**. This MOU may be executed in counterparts. Said counterparts shall together constitute one and the same MOU. This MOU shall have the same force and effect as if the original had been signed by all Parties.

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

Dated: _____

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Lynna Monell
Clerk of the Board of Supervisors
of the San Bernardino County

By _____
Deputy

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF CHINO

By: ► _____
(Authorized signature - sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 13220 Central Avenue

Chino, CA 91710

Approved as to form: _____
(City Attorney)

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF CHINO HILLS

By: ► _____
(Authorized signature - sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 14000 City Center Drive

Chino Hills, CA 91709

Approved as to form: _____
(City Attorney)

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF FONTANA

By: ► _____
(Authorized signature - sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 8353 Sierra Avenue

Fontana, CA 92335

Approved as to form: _____
(City Attorney)

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF MONTCLAIR

By: ► _____
(Authorized signature – sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 5111 Benito Street

Montclair, CA 91763

Approved as to form: _____
(City Attorney)

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF ONTARIO

By: ► _____
(Authorized signature – sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 303 E B Street

Ontario, CA 91764

Approved as to form: _____
(City Attorney)

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF RANCHO CUCAMONGA

By: ► _____
(Authorized signature - sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 10500 Civic Center Drive

Rancho Cucamonga, CA 91730

Approved as to form: _____
(City Attorney)

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF RIALTO

By: ► _____
(Authorized signature – sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 150 S Palm Avenue

Rialto, CA 92376

Approved as to form: _____
(City Attorney)

IN WITNESS WHEREOF, the Parties have each caused this MOU to be executed as of the dates set forth below by its duly authorized officers, on its behalf.

CITY OF UPLAND

By: ► _____
(Authorized signature - sign in blue ink)

Name: _____
(Print or type name of person signing contract)

Title: _____
(Print or Type)

Dated: _____

Address: 460 N Euclid Avenue

Upland, CA 91786

Approved as to form: _____
(City Attorney)

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Engineering Prepared By: Raymond Lee Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Khoi Do, Andrea Ampig, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 20

SUBJECT: **AN AGREEMENT WITH THE CITY OF EASTVALE FOR OPERATIONS AND MAINTENANCE OF THE LANDSCAPED MEDIAN ON MILLIKEN AND HAMNER AVENUES**

RECOMMENDATION: That the City Council approve an Agreement with the City of Eastvale for the shared Operations and Maintenance (O&M) of the landscaped median on Milliken and Hamner Avenues between the State Route (SR) 60 Freeway and Bellegrave Avenue.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
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)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: Ontario will be 100% responsible for the O&M and associated costs of the median on Milliken and Hamner Avenues between the SR-60 Freeway and Harvest Drive. Eastvale will be 100% responsible for the O&M and associated costs of the median between Harvest Drive and Bellegrave Avenue. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the General Fund for Ontario's portion of the O&M costs.

BACKGROUND & ANALYSIS: The General Plans for both the City of Ontario and City of Eastvale identify a raised landscaped median along Milliken and Hamner Avenues between SR-60 Freeway and Bellegrave Avenue. Both Cities desire to enter into an agreement for the coordination of the operations and maintenance of existing and future medians. This Agreement describes and outlines the maintenance responsibilities and operational functions to be performed by each City and specifies the cost distribution between Ontario and Eastvale.

AGREEMENT FOR
OPERATIONS AND MAINTENANCE OF JOINTLY OWNED
RAISED LANDSCAPED MEDIANS ON MILLIKEN AND HAMNER AVENUES

THIS AGREEMENT is made and entered into on this _____ day of _____, 2025, by and between the City of Ontario (hereinafter referred to as ONTARIO) and the City of Eastvale (hereinafter referred to as EASTVALE).

WITNESSETH

WHEREAS, certain raised landscaped medians have been installed at the locations identified in Exhibit A that are jointly owned by ONTARIO and EASTVALE; and

WHEREAS, ONTARIO and EASTVALE desire to set forth herein the particular maintenance and operations functions to be performed by each, and to specify the distribution of costs of said maintenance and operations functions between ONTARIO and EASTVALE:

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. This Agreement applies to the operations and maintenance (routine and extraordinary) of raised landscaped medians at the locations identified in Exhibit A, attached hereto and made a part hereof.

2. The party responsible for performing the operations and maintenance functions for each location shall be as indicated in Exhibit A.

3. On occasion, one party to this agreement may assist another party to this agreement with operations or maintenance outside of the defined boundaries defined in Exhibit A. On occasion, the parties may choose to collaborate on operations or maintenance outside of the defined boundaries defined in Exhibit A. On these occasions, the Parties mutually agree that the work on the landscape medians defined in this agreement is exempt from permit fees. The Parties agree to issue mutual no-fee permits to complete work related to this agreement, and said permits will remain valid for the term of this agreement unless a written request for modification of this Agreement is executed.

4. Operations work to be performed under this Agreement includes scheduled irrigation.

5. Routine maintenance work to be performed under this Agreement includes grass clipping, trimming, mowing, pruning, fertilizing, litter and debris removal, seeding, weed control and removal, disease treatment and control, scheduled inspection and preventative maintenance, furnishing electric energy, and performing necessary repairs and replacements as required to ensure satisfactory service. Installation of additional facilities is not a maintenance function under this agreement.

6. Extraordinary maintenance to be performed under this Agreement includes repair or replacement of facilities or landscaping when caused by “Acts of God,” civil disorder, vehicle collision, vandalism, third party recklessness or willful acts, equipment obsolescence, failure or malfunction of the irrigation system, and/or worn out equipment replacement when it is upgraded or replaced in like kind. Extraordinary maintenance shall also include repairing and replacement of irrigation controllers and cabinets, water services, irrigation valves, meter boxes, conduits, and other appurtenances.

7. Expenses for operations, routine maintenance, and extraordinary maintenance shall be shared by the cities based on the percentages specified in Exhibit A.

   Whenever extraordinary expenses are incurred as a result of damage caused by a third party, the party with jurisdiction over the location where the damage took place shall make every reasonable effort to recover the costs of said damage from the responsible third party. Any and all recovered funds, less the costs associated with the recovery effort, shall be disbursed to both ONTARIO and EASTVALE as per the percentage splits shown in Exhibit A.

8. This Agreement shall become effective upon execution by both parties and shall supersede any and all previous median landscape operations and maintenance agreements between ONTARIO and EASTVALE regarding the raised landscaped median at locations identified in Exhibit A, except any such agreements wherein ONTARIO and EASTVALE are not the only parties thereto.

9. Exhibit A may be amended, as needed, to add or delete locations or to change cost splits, as evidenced by signed approval of the respective City Engineers, or their designees, by submittal of a revised Exhibit A, which shall, upon said approval, become part of this Agreement and shall supersede and cancel all previous exhibits.

10. ONTARIO and EASTVALE shall submit in writing any dispute in billing within thirty (30) working days after receipt of billing. Otherwise ONTARIO and EASTVALE shall pay for services within thirty (30) days after receipt of billing.

11. This Agreement shall remain in full force and effect until terminated by either party following a sixty (60) day written notice of intention to terminate.

12. ONTARIO agrees to indemnify, defend (with counsel approved by EASTVALE) and hold harmless EASTVALE and its officers, employees, agents and authorized volunteers from any and all claims actions, losses, damages, and/or liability resulting from ONTARIO’s negligent acts or omissions which arise from ONTARIO’s performance of its obligations under this Agreement.

    EASTVALE agrees to indemnify, defend (with counsel approved by ONTARIO) and hold harmless ONTARIO and its officers, employees, agents and authorized volunteers from any and all claims actions, losses, damages, and/or liability resulting from EASTVALE’s negligent acts or omissions which arise from EASTVALE’s performance of its obligations under this Agreement.

13. Nothing in the provisions of this Agreement is intended to create duties or obligations to, or rights in third parties not parties to this contract or affect the legal liability of either party to the contract by imposing any standard of care respecting the maintenance of the subject intersections and medians different from the standard of care imposed by law.

14. 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:

EASTVALE: City of Eastvale
12363 Limonite Avenue, Suite 910
Eastvale, CA 91752
ATTN: City Engineer

ONTARIO: City of Ontario
303 East "B" Street
Ontario, CA 91764
ATTN: City Engineer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective official thereunto duly authorized.

CITY OF ONTARIO

By:_____
City Manager

Dated:_____

APPROVED AS TO FORM:

By:_____
Best Best & Krieger LLP
City Attorney

ATTEST:

By:_____
City Clerk

CITY OF EASTVALE

By:_____
City Manager

Dated:_____

APPROVED AS TO FORM:

By:_____
Erica Vega
City Attorney

ATTEST:

By:_____
City Clerk

EXHIBIT A

AGREEMENT FOR

OPERATIONS AND MAINTENANCE OF JOINTLY OWNED

RAISED LANDSCAPED MEDIANS ON MILLIKEN AND HAMNER AVENUES

No.	Location	Operated and Maintained by	O&M Cost Split	
			ONTARIO	EASTVALE
1	Milliken Avenue between SR60 and Riverside Drive(1)	Ontario	100%	0%
2	Hamner Avenue between Riverside Drive and Harvest Drive(1)	Ontario	100%	0%
3	Hamner Avenue between Harvest Drive and Bellegrave Avenue(2)	Eastvale	0%	100%

(1) Ontario to operate and maintain all raised medians north of Harvest Drive at its sole expense
(2) Eastvale to operate and maintain all raised medians south of Harvest Drive at its sole expense

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Economic Development Prepared By: Karla Tavera Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 21

SUBJECT: A RESOLUTION APPROVING A PARKS INCENTIVE REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE COUNTY OF SAN BERNARDINO

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute such further documents and take such actions as may be necessary or desirable to carry out the intent of the Agreement.

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: The City shall reimburse the County for sixty percent (60%) of the price of the amount of investment costs the County pays for the certain eligible qualified property to the extent any such property is within the boundaries of the City's adopted Master Plan for the Grand Park Project ("Qualified Property"), as approved by the City, regardless of the number of Qualified Properties or their gross acquisition or investment costs, the City's annual Park Reimbursement Payment shall never exceed five million dollars ($5,000,000) ("Cap"). If this reimbursement payment Cap is reached, the time the City shall pay the County will be extended until the County has received the amounts owing under this Agreement.

Upon City's acceptance of title or control of a Qualified Property, City, at its expense, shall operate and maintain each Qualified Property, including compliance with restrictive covenants or conservation easements, as approved by the City.

If approved, additional appropriations will be included at future date to City Council for approval as needed for future reimbursements to the County.

BACKGROUND & ANALYSIS: The City of Ontario ("City') and the County of San Bernardino ("County") are desirous of advancing the quality of life of their respective residents and protecting the natural environment by supporting and encouraging long term development of high-quality

parks, recreation and open space for the benefit of present and future residents.

The County, may, from time to make, acquire or make investments in land within the City and may use funds submit to the Wildlife, Coastal and Park Land Conservation Bond Act as modified by the uncodified legislation ("Proposition 70"), or other funds the County deems appropriate.

In an effort to expedite the City's commitment to delivering the Grand Park, a 340-acre passive park located in the South Ontario, the parties are introducing the Parks Incentive Reimbursement Agreement.

The term of the Agreement shall terminate the later of (i) 40 years after the effective date of the Agreement, or (ii) 20 years after the last Qualified Property acquisition, approved by the City.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE PARKS INCENTIVE REIMBURSEMENT AGREEMENT WITH THE COUNTY OF SAN BERNARDINO AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND RELATED DOCUMENTS

WHEREAS, the City of Ontario ("**City**") seeks to facilitate the timely assembly and acquisition of properties to advance development of the Grand Park project, a planned approximately 340-acre recreational and open-space public facility in South Ontario; and

WHEREAS, the County of San Bernardino ("**County**") may from time to time identify and submit properties for City consideration and undertake certain transactional or related activities to assist with assembling eligible properties for City development of the Grand Park and other City park initiatives; and

WHEREAS, the Parks Incentive Reimbursement Agreement ("**Agreement**") establishes procedures, timelines, and eligibility criteria for City review of County submittals, including a City review period of ninety (90) days with options for City, in its sole discretion, to extend in thirty (30) day increments up to a total of one hundred eighty (180) days, and provides acceptance standards tied to park/open-space suitability and title/encumbrance conditions that could materially impair park use; and

WHEREAS, the Agreement further establishes a mechanism by which City may, subject to the terms and conditions set forth therein and subject to future City Council budgetary appropriations, reimburse or share in certain eligible costs incurred to advance property assembly and related activities that facilitate City acquisition for the Grand Park, all as more particularly described in the Agreement; and

WHEREAS, this action advances the City Council goals to (1) Operate in a Businesslike Manner; (2) Pursue City's Goals and Objectives by Working with Other Governmental Agencies; and (3) Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities; and

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

SECTION 1. The foregoing recitals are true and correct and incorporated herein by this reference as findings of the City Council.

SECTION 2. The City Council hereby approves the Parks Incentive Reimbursement Agreement by and between the City and the County of San Bernardino, in substantially the form on file with the City Clerk, together with such minor, non-substantive changes, insertions, and omissions as are approved by the City Manager or his designee, in consultation with the City Attorney.

SECTION 3. The City Manager, or his designee, is authorized and directed to execute the Agreement and to execute such further documents and take such actions as may be necessary or desirable to carry out the intent of the Agreement, including without limitation delivering notices, approving implementing instruments, and executing ancillary or "side" documents consistent with the Agreement.

SECTION 4. The City Clerk shall attest to the City Manager's signature and maintain the fully executed Agreement on file.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED, AND ADOPTED this 18th day of November 2025.

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. 2025- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 18, 2025 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. 2025- duly passed and adopted by the Ontario City Council at their regular meeting held November 18, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

PARKS INCENTIVE REIMBURSEMENT AGREEMENT

THIS PARKS INCENTIVE REIMBURSEMENT AGREEMENT (this "**Agreement**") dated as of _____, 2025 (the "**Effective Date**"), is by and between the City of Ontario, a California municipal corporation (the "**City**"), and San Bernardino County (the "**County**"), (collectively City and County are the "**Parties**" and each, a "**Party**"), with reference to the following:

RECITALS

A. City and County are desirous of advancing the quality of life of their respective residents and protecting the natural environment by supporting and encouraging long term development of high-quality parks, recreation and open space for the benefit of present and future residents.

B. City desires to encourage the County to acquire property within the City for park and/or open space uses, or make investments in existing City park property, including but not limited to property associated with the City's planned recreational and open space public facility commonly known as the "Grand Park," which will consist of approximately 340 acres within the City limits as reflected in the City's adopted Master Plan (the "**Grand Park**" or the "**Project**").

C. County may, from time to time, acquire or make investments in land within the City of Ontario and may use funds subject to the Wildlife, Coastal, and Park Land Conservation Bond Act as modified by uncodified legislation (**"Proposition 70**"), or any other funds the County deems reasonably appropriate.

D. The Parties desire to establish terms for City's reimbursement to the County of acquisition or investment costs for Grand Park land or additional land dedicated, in furtherance of their mutual goal of enlarging and developing park or open space property for the public's benefit.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1
TERM AND OTHER PARAMETERS OF AGREEMENT

1.1 **Term of this Agreement.** The term of this Agreement (the "**Term**") shall commence upon the Effective Date and, unless earlier terminated in accordance with the terms hereof, shall terminate the later of (a) Forty (40) years after the Effective Date or (b) Twenty (20) years after the last acquisition to be approved by City, subject to extensions agreed to in writing by the Parties (the "**Termination Date**"). The eligible period to submit a Qualified Property (as defined in Section 2.1) acquisition for reimbursement shall be twenty (20) years after the Effective Date. Park Reimbursement Payments may be made for twenty (20) years after approval, and thus the maximum term is Forty (40) years. The Parties may agree to extend the Term as reasonably

necessary for up to one year, or for another specific time period as may deemed reasonably necessary, to allow additional time to satisfy the conditions set forth below, as well as any other relevant issues, which consent shall not be unreasonably withheld, conditioned, or delayed by the Parties (each, an "**Extension Period**"). A Party's request for an Extension Period must be delivered at least 30 days before the then-current Termination Date.

1.2 **Definitions; Recitals.** Initially-capitalized terms used in this Agreement (including in the Recitals to this Agreement) are defined pursuant to Section 8.1. The Recitals are incorporated into this Agreement by this reference.

1.3 **Limitations of this Agreement.** By its execution of this Agreement, except as to any restrictive covenants for conservation required under Proposition 70, neither City nor County are committing itself to or agreeing to undertake any Regulatory Approval, land use entitlements for any property, or any other acts or activities requiring the subsequent independent exercise of discretion by City or County.

ARTICLE 2
REIMBURSEMENT; RESTRICTIONS

2.1 **County Acquisition or Investment of Land for City Park Purposes.** Upon satisfaction of the following conditions, City shall reimburse the County 60% of the price or the amount of investment costs the County pays for Qualified Property on the terms identified in Section 2.3. Property that meets the following conditions shall be defined in this Agreement as "**Qualified Property**."

2.1.1 County shall give City 90 days' notice of any Qualified Property located within the City of Ontario that the County proposes to acquire and be subject to the terms of this Agreement;

2.1.2 Properties Within Grand Park. City shall approve the eligibility for Qualified Property to the extent any such property is within the boundaries of the City adopted Master Plan for the Grand Park, as such boundaries are determined as of the Effective date and described in the City adopted Master Plan and as such Grand Park boundaries may be expanded by the City during the term of this Agreement, provided that the property (i) satisfies City's park/open-space suitability criteria and (ii) is not subject to title, environmental, or other conditions that, in City's reasonable judgment, materially impair park use. Such Qualified Property deemed acceptable shall be eligible for reimbursement by the City under this Agreement;

2.1.3 Properties Outside Grand Park. City may also approve or deny the eligibility of any other property outside the Grand Park boundaries but within the City of Ontario that County seeks to acquire for City park and open space purposes;

2.1.4 City shall approve or deny eligibility in accordance with the above within 90 days of the County's notice, subject to any Regulatory Approval and Approval Extension Period, as set forth under Section 2.2 below. City's failure to respond to such notice shall not constitute approval of a Qualified Property; and

2.1.5 If the City approves a Qualified Property for inclusion in this Agreement, the County shall dedicate the Qualified Property to park or open space purposes, which may include a restrictive covenant or conservation easement as required by Proposition 70, in a form reasonably acceptable to the City Manager and approved as to form by the City Attorney.

2.2 **City Approval Process**. As part of City's review required by Paragraph 2.1.2, City may, if necessary, seek approval by the City Planning Commission that the proposed Qualified Property and its use is consistent with the City's General Plan and other applicable planning documents. The City shall use commercially reasonable efforts to complete all necessary reviews within the ninety (90) day review period; provided, however, that if additional time is reasonably necessary to complete the approval process by the City Planning Commission, such period may be extended by City in its sole discretion, for up to three (3) additional thirty (30) day periods upon advance written notice from the City (each, an "**Approval Extension Period**").

2.3 **City Reimbursement Payments**

2.3.1 City shall reimburse the County for 60% of the County's actual gross acquisition ("**Acquisition Cost**") or gross investment cost ("**Investment Cost**")of Qualified Property. The Acquisition Cost shall be the purchase price established by the final escrow closing statement that concluded the County's purchase of the Qualified Property with customary buyer closing costs for a public agency, excluding penalties, late charges, financing costs, carrying costs, remediation/mitigation costs, internal administrative or overhead charges, and any amounts reimbursed from third parties. The Investment Cost shall be for actual out-of-pocket third-party costs reasonably and directly incurred to identify, evaluate, and secure a Qualified Property for acquisition as determined prior to County making the investment to a Qualified Property, and agreed to by the Parties.

2.3.2 City's reimbursement shall be made in twenty equal annual payments, without interest, beginning 90 days after the later of: (i) the close of escrow of County's purchase of Qualified Property or (ii) the recordation of the restrictive covenant or conservation easement, or, in the case of an Investment Cost, (iii) date the investment is made (each a "**Park Reimbursement Payment**"). The first Park Reimbursement Payment shall be subject to annual appropriation by City Council and shall not be due prior to the commencement of the first full City fiscal year following such appropriation.

2.3.3 Regardless of the number of Qualified Properties or their approved Acquisition Cost or Investment Cost, City's annual Park Reimbursement Payment shall never exceed five million dollars ($5,000,000) ("**Park Reimbursement Payment Cap**"). If the Park Reimbursement Payment Cap is reached, the time for City to pay County shall be extended without interest until the County has received all amounts owing by this Agreement.

2.3.4 The obligations of City under this Agreement do not constitute a debt of City, nor a legal or equitable pledge, charge, lien, or encumbrance upon any property, income, receipts, or revenues of City, other than the funding source(s) for Park Reimbursement Payments. Except for such designated funding source(s), and neither the City's General Fund nor any other fund of the City shall be liable for the payment of any obligation arising under this Agreement.

2.4 **Park Maintenance:** Upon City's acceptance of title or control of a Qualified Property, City, at its sole cost and expense, shall operate and maintain each Qualified Property, including compliance with any restrictive covenants or conservation easements, as approved by City per Section 2.1.5, if any.

ARTICLE 3

INDEMNIFICATION AND INSURANCE

3.1 **Indemnification**. The Parties shall indemnify, defend, and hold harmless the other party, its respective officers, agents and employees, from and against any claims, damages, costs, expenses, or liabilities (collectively, "**Claims**") arising out of or in any way connected with this Agreement including, without limitation, Claims for loss or damage to any property, or for death or injury to any person or persons but only in proportion to and to the extent that such Claims arise from the negligent or wrongful acts or omissions of Parties, its officers, agents, partners, or employees. Furthermore, the City shall indemnify, defend, and hold harmless the County, its respective officers, agents and employees, from and against any Claims arising out of City's operation and maintenance of Qualified Property, including the City's obligations under a restricted covenant or conservation easement. In the event that either Party is determined to be comparatively at fault for any Claims, which result from its respective obligations under this Agreement, the Party determined to be comparatively at fault shall indemnify the other to the extent of its comparative fault.

3.2 **Insurance.** The Parties are authorized self-insured public entities for purposes of Professional Liability, Automobile Liability, General Liability and Worker's Compensation, and warrant that through their respective programs of self-insurance, they have adequate coverage or resources to protect against any claim, demand, liability, damage, cost and expense, including reasonable attorney's fees and costs (including any claims based on a party's indemnity obligation) arising out of performance of the terms, conditions or obligations of this Agreement.

ARTICLE 4
ASSIGNMENT AND TRANSFER

4.1 **Prohibition Against Transfer of the Agreement.** Parties shall not sell, convey, assign, transfer, alienate or otherwise dispose of all or any of its interests, rights or obligations in, to or under this Agreement, perform a party's obligations or otherwise do any of the above or make any contract or agreement to do any of the same ("**Transfer**").

4.2 **Effect of Violation**.

4.2.1 **Event of Default**. If a Party makes a Transfer or significant change in violation of Section 4.1 and such violation remains uncured after sixty (60) days after such Party's receipt of written notice from the non-violating Party of such violation, then either the non-violating Party may, in its sole discretion, either cancel this Agreement, or declare an Event of Default from and after the time of the Transfer or significant change.

4.2.2 **No Release of Obligations**. Except by the specific written approval of a party which such party may give or withhold in its sole discretion, no Transfer or significant change shall relieve Parties from any obligations under this Agreement.

ARTICLE 5
REMEDIES

5.1 **Waiver of Consequential Damages**. **NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, NONE OF THE PARTIES, NOR ANY OF THEIR EMPLOYEES, AGENTS, REPRESENTATIVE OR CONSULTANTS, NOR THE AFFILIATES OF ANY OF THEM, SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES, FOR LOST REVENUES OR LOST PROFITS, OR FOR ANY OTHER SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES, IN EACH CASE ARISING OUT OF, RELATING TO OR RESULTING FROM (A) AN ACTUAL OR ALLEGED DEFAULT OR BREACH OF THIS AGREEMENT, (B) THE TRANSACTIONS CONTEMPLATED UNDER THIS AGREEMENT, OR (C) THE RELATIONSHIP OF THE PARTIES HEREUNDER, IN EACH CASE EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND EACH PARTY HEREBY EXPRESSLY RELEASES THE OTHER PARTIES, AND THEIR EMPLOYEES, AGENTS, REPRESENTATIVE OR CONSULTANTS, AND THE AFFILIATES OF ANY OF THEM, THEREFROM.**

ARTICLE 6
GENERAL PROVISIONS

6.1 **Notices**.

6.1.1 **Manner of Delivery**. All notices, statutory notices, demands, statements or communications (collectively, "**Notices**") given or required to be given by either Party to the other hereunder shall be in writing, shall be sent by United States certified or registered mail, postage prepaid, return receipt requested, or by recognized overnight delivery service (such as, but not limited to, Federal Express), or delivered personally to each Party at the appropriate address set forth below, or to such other place as each Party may from time to time designate in a Notice to the other Party.

6.1.2 **Addresses for Notices**. All notices shall be properly addressed and delivered to the Parties at the addresses set forth below or at such other addresses as either Party may designate by written notice given in the manner provided in this Section 6.1.2:

To City: City of Ontario
Attn: City Manager
303 E. B Street
Ontario, CA 91764
Phone: 909-395-2289

With a copy to:	City Attorney (at the same address)
To County:	San Bernardino County Attn: Director of Real Estate Services 385 N. Arrowhead Ave., 3rd Floor San Bernardino, CA 92415

6.2 **Time of Performance**. Time is of the essence for timely performance under this Agreement. All periods for performance specified in this Agreement in terms of days shall be calendar days, and not Business Days, unless otherwise expressly provided in this Agreement.

6.3 **Interpretation of Agreement**.

6.3.1 **No Presumption Against Drafter**. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each Party has been represented by experienced and knowledgeable legal counsel. Accordingly, this Agreement shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Agreement (including California Civil Code Section 1654).

6.4 **Successors and Assigns**. This Agreement is binding upon and shall inure to the benefit of the permitted successors and assigns of the Parties, subject to the limitations on assignment set forth in Section 3.1. Where the term "**Party**," or "**Parties**" is used in this Agreement, it means and includes their respective successors and permitted assigns.

6.5 **No Third Party Beneficiaries**. This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors and permitted assigns. No third party beneficiaries are intended or created by this Agreement.

6.6 **Counterparts**. This Agreement may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument. The Parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the Party whose name is contained therein. Each Party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

6.7 **Entire Agreement**. This Agreement (including all of the Exhibits) constitutes the entire agreement among the Parties with respect to the subject matter of this Agreement and supersedes all negotiations or previous agreements, among the Parties with respect to all or any part of the terms and conditions mentioned in or incidental to this Agreement. No parol evidence of any prior draft of this Agreement, or of any other agreement shall be permitted to contradict or vary the terms of this Agreement.

6.8 **Amendment**. Neither this Agreement nor any of its terms may be amended, modified or supplemented except by a written instrument executed by the Parties in each instance.

6.9 **Governing Law; Choice of Venue**. The Laws of the State of California shall govern the interpretation and enforcement of this Agreement. As part of the consideration for the Parties entering into this Agreement, except as otherwise provided in this Agreement, the Parties agree that all actions or proceedings arising directly or indirectly under this Agreement shall be litigated in courts having jurisdiction within the State of California and the venue shall be in San Bernardino County. The Parties expressly consent to the jurisdiction of any such local, state or federal court, and consent that any service of process in such action or proceeding may be made by personal service upon the applicable Party wherever it may then be located, or by certified or registered mail directed to the applicable Party at the address set forth in Section 6.1.2 for the delivery of notices.

6.10 **Disputes.**

6.10.1 **Negotiation**. Except as otherwise provided in this Article, at any time following the receipt by one Party of a written notice from the other Party of a conflict, disagreement or dispute between the Parties arising under this Agreement (a "**Dispute**"), the receiving Party may require that an authorized representative of each Party (each with authority to settle) meet, confer, and attempt to resolve such Dispute. If the Dispute is not resolved during such meeting or within five (5) Business Days thereafter, neither Party may initiate litigation under this Article unless the Dispute is first subjected to mediation. This requirement for mediation may only be waived in a written instrument.

6.10.2 **Mediation**. Disputes not resolved through negotiation shall be subject to mandatory mediation. A request for mediation shall be filed in writing by a Party with the other Party, and the Parties shall promptly attempt to mutually agree upon a Mediator. If the Parties have not reached agreement on a Mediator within five (5) Business Days of the request, either Party may file the request with JAMS in Los Angeles, California, with a copy to the other Party, and the mediation shall, unless another location is mutually agreed upon, be administered by JAMS and held in Los Angeles, California by a single Mediator having demonstrated expertise regarding the subject of the Dispute and appointed in accordance with JAMS Rules. Mediation shall proceed in advance of arbitration, which shall be stayed pending mediation unless stayed for a longer period by agreement of the Parties or court order. The Parties to the mediation shall share the Mediator's fee and any filing fees equally. Representatives of the Parties must attend the mediation session in person with authority to settle the dispute and with authority to adjust pre-existing settlement authority if necessary. To the extent there are other parties in interest, such as architects, insurers, contractors or subcontractors, then representatives of such other parties, also with authority to settle the Dispute and to adjust pre-existing settlement authority if necessary, shall also attend the mediation session in person. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

6.10.3 **Litigation**. All Disputes that cannot be resolved through mediation shall be resolved by a Court of competent jurisdiction.

6.12 **Further Assurances.** The Parties agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to express the intent of the Parties or otherwise effectuate the terms of this Agreement.

6.13 **Attorneys' Fees and Costs**. If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third party legal action against a party hereto and payable under Paragraph 3.1 Indemnification.

6.14 **Severability**. If any provision of this Agreement, or its application to any Person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be grossly inequitable under all of the circumstances, or would frustrate the fundamental purposes of this Agreement.

6.15 **Effective Date**. This Agreement shall become effective on the Effective Date.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 **Representations and Warranties of County**. County represents and warrants as follows, as of the Effective Date:

7.1.1 **Authority**. The County is a political subdivision of the State of California duly organized and in good standing under the Laws of California with all corporate power to execute and deliver and perform its obligations under this Agreement and the agreements contemplated by this Agreement.

7.1.1 **Litigation**. County is not party to, and has no knowledge of, any pending or threatened actions, suits, proceedings or undischarged judgments affecting County or the Project, before any court, Governmental Authority, or arbitrator which might materially and adversely affect the enforceability of this Agreement, or prevent County from performing its obligations under this Agreement.

7.1.2 **Condemnation**. County has no knowledge of, any planned or threatened condemnation proceedings relating to the Project or any part thereof or any access ways or roadways adjacent to the Project or any part thereof by County, its members or any other agency having such power of condemnation.

7.1.3 **Violations**. County has not received written notice of, and has no knowledge of, any uncured violations of any federal, state or local law relating to the use or operation of the Project.

7.2 **Representations of the City**. The City represents (as to itself only) as follows, as of the Effective Date:

7.2.1 **Authority**. The City is a municipal corporation duly organized and is in good standing under the Laws of California with all corporate power to execute and deliver and perform its obligations under this Agreement and the agreements contemplated by this Agreement.

7.2.2 **Litigation**. City is not party to, and has no knowledge of, any pending or threatened actions, suits, proceedings or undischarged judgments affecting City or the Project, before any court, Governmental Authority, or arbitrator which might materially and adversely affect the enforceability of this Agreement, or prevent City from performing its obligations under this Agreement.

7.2.3 **Condemnation**. City has no knowledge of, any planned or threatened condemnation proceedings relating to the Project or any part thereof or any access ways or roadways adjacent to the Project or any part thereof by City or any other agency having such power of condemnation.

7.2.4 **Violations**. City has not received written notice of, and has no knowledge of, any uncured violations of any federal, state or local law relating to the use or operation of the Project.

ARTICLE 8
DEFINITIONS

8.1 **Definitions**. Initially-capitalized terms used but not defined in this Agreement (including in the Recitals and Exhibits to this Agreement) shall have the meanings ascribed thereto in this Agreement. The following terms as used in this Agreement shall have the following meanings, unless the context indicates otherwise:

"**Governmental Authority**" means any and all entities, courts, boards, agencies, bureaus, commissions, offices, divisions, subdivisions, departments, bodies, or authorities of any nature whatsoever of any governmental unit (Federal, state, county, city or otherwise) whether now or hereafter in existence.

"**Regulatory Approval**" means any authorization, approval or permit required by or from any Governmental Authority having jurisdiction over actual or potential Qualified Property. The term "**Regulatory Approval**" shall not include any authorization, approval or permit required for the Party's use and occupancy of actual or potential Qualified Property.

Remainder of page intentionally left blank.
Signatures on the following page.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly appointed representatives as of the Effective Date.

Date: _____, 2025

CITY OF ONTARIO,
a municipal corporation

By: _____
Scott Ochoa, City Manager

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: _____
Ruben Duran
City Attorney

Signatures continue on the following page.

Date: _____, 2025

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

Dated:

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD
Lynna Monell
Clerk of the Board of Supervisors
of San Bernardino County

By

APPROVED AS TO FORM:

LAURA FEINGOLD
COUNTY COUNSEL

By: _____
Name:_____
Title:_____
Date:_____

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **PUBLIC HEARINGS**
Department: Economic Development Prepared By: Charity Hernandez Department: Prepared By: Charity Hernandez Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 22

SUBJECT: LEASE FINANCING PLAN FOR THE PROPOSED ACQUISITION OF PROPERTY LOCATED AT 9175 EAST CHINO AVENUE

RECOMMENDATION: That the City Council authorize 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 financing for the acquisition of real property located at 9175 East Chino Avenue for a period of five (5) years; and
B. The Lease Agreement between the City of Ontario and the Ontario Public Finance Authority; and
C. The Site and Facility Lease between the City of Ontario and Ontario Public Finance Authority; and
D. All documents required to be delivered pursuant to the Lease Agreement and/or Site and Facility Lease, including without limitation the Assignment Agreement and Note.

That the Ontario Public Finance Authority authorize the Executive Director, 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 financing for the acquisition of real property located at 9175 East Chino Avenue for a period of five (5) years; and
B. The Lease Agreement between the City of Ontario and the Ontario Public Finance Authority; and
C. The Site and Facility Lease between the City of Ontario and Ontario Public Finance Authority; and
D. The Assignment Agreement between the Ontario Public Finance Authority and the Ronald and Kristine Pietersma Family Trust.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner

FISCAL IMPACT: The aggregate of the principal components of the Lease Payments shall not exceed $25,500,000 and the true interest cost of the interest components of the Lease Payments shall not exceed 4.85%. Annual lease payments are not to exceed $6,336,750 (principal components of the Lease Payments in the amount of $5,100,000 is deferred each year to the end of the Lease pursuant to the Lease Agreement). The term of the lease is five (5) years and will commence upon closing. If approved, additional appropriations in the Capital Projects- Measure Q Fund will be included in a future Quarterly Budget Update report to City Council for the current fiscal year Lease Payments. Appropriations for future years will be included in accordance with the annual Budget adoption process to City Council for approval.

BACKGROUND & ANALYSIS: The City of Ontario ("City") entered into a Purchase and Sale Agreement on October 7, 2025 (“Purchase Agreement”) with the Ronald and Kristine Pietersma Family Trust (“Seller”) for the acquisition of real property. The property located at 9175 East Chino Avenue, consists of approximately 10.11 acres, and is intended for site improvements related to the Ontario Sports Empire project.

As part of the acquisition, the Seller has agreed to take payments from the Ontario Public Financing Authority (“Authority”), which will be secured by payments to be made by the City to the Authority under a lease agreement (the “Lease Agreement”).

This lease-leaseback financing method is how cities finance capital improvements and land acquisitions. In order to accomplish the acquisition of property, the documents do the following:

On the date of the closing, the City will take fee title to the property. The City will concurrently lease the property to the Authority under the Site Lease (“Site Lease”) as lessee.

Additionally, the Authority will concurrently lease the property under the Lease Agreement (“Lease Agreement”), by which the City will make lease payments sufficient to pay the annual lease payment.

The Authority will then assign its right to receive the lease payments to the Seller under an Assignment Agreement (“Assignment Agreement”).

Staff recommends approval of the City Council Resolution and the Authority Board Resolution.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING PROCEEDINGS AND AGREEMENTS RELATING TO THE FINANCING OF PUBLIC CAPITAL IMPROVEMENTS FOR PUBLIC PURPOSES, APPROVING PREPARATION AND DELIVERY OF A NOTE BY THE ONTARIO PUBLIC FINANCING AUTHORITY AND AUTHORIZING OFFICIAL ACTIONS.

WHEREAS, the Ontario Public Financing Authority (the "Authority") has been formed pursuant to the laws of the State of California, namely, the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State, as amended from time to time (the "Act"), to finance the acquisition and construction of public capital improvements for the City of Ontario (the "City"); and

WHEREAS, the City has requested that the Authority issue a lease revenue Note for the purpose of providing funds to enable the City to finance land acquisition for municipal purposes (the "Project"); and

WHEREAS, the City intends to lease the acquired premises (the "Leased Premises") to the Authority pursuant to a Site and Facilities Lease (the "Site and Facilities Lease") and lease the Leased Premises back from the Authority pursuant to the Lease Agreement between the City and the Authority (the "Lease Agreement"); and

WHEREAS, the Authority desires to issue its Lease Revenue Note, (the "Note") for the purpose of financing the acquisition of the Leased Premises, which Note will be payable from lease payments to be paid to the Authority by the City pursuant to the Lease Agreement; and

WHEREAS, the Note will be issued under the Assignment Agreement (the "Assignment Agreement") by and between the Authority and The Ronald and Kristine Pietersma Family Trust, dated February 15, 1992 (Restated) (the "Seller") and secured by the payment of the lease payments under the Lease Agreement; and

WHEREAS, under the Assignment Agreement, the Authority will assign its right to receive the lease payments and the right to exercise remedies under the Lease Agreement, to the Seller; and

WHEREAS, Section 5852.1 of the Government Code of the State of California ("Section 5852.1") provides that the City Council disclose, in a meeting open to the public, prior to authorization of the issuance of the Note, good faith estimates of: (a) the true interest cost of the Note, (b) the finance charge of the Note, meaning the sum of all fees and charges paid to third parties, (c) the amount of proceeds of the Note received less the finance charge described above and any reserves or capitalized interest paid or funded with proceeds of the Note and (d) the sum total of all debt service payments on the Note calculated to the final maturity of the Note plus the fees and charges paid to third parties not paid with the proceeds of the Note; and

WHEREAS, in accordance with Section 5852.1, the City has obtained such good faith estimates from the Financial Services Agency of the City, and such estimates are disclosed in Exhibit A attached hereto; and

WHEREAS, the City Council has conducted a noticed public hearing pursuant to Section 6586.5 of the California Government Code and published notice was given in accordance with the terms of the Government Code; and

WHEREAS, the City Council wishes at this time to authorize all proceedings relating to the issuance and sale of the Note and all other agreements and documents relating thereto.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY OF ONTARIO AS FOLLOWS:

SECTION 1.

(a) The City Council finds and determines that it is in the prudent management of the fiscal affairs of the City that the proceeds of the Note be used to finance the Project.

(b) Pursuant to the Act, the City Council hereby finds that the issuance of the Note by the Authority will result in savings in effective interest rates and bond issuance costs and thereby result in significant public benefits pursuant to Section 6586 of the Act.

(c) The fair rental value of the leased premises, under the Lease Agreement (the "Leased Premises"), exceeds the present value of lease payments to be made under the Lease Agreement.

SECTION 2. The City Council hereby approves of the issuance of the Note for the purpose of financing the acquisition of the Leased Premises by the Authority under and pursuant to the Act provided that the maximum aggregate principal amount of the Note shall not exceed $25,500,000.

SECTION 3. The City Council hereby approves each of the following documents in the respective forms on file with the City Clerk, together with such additions thereto and changes therein as the Bond Counsel shall deem necessary, desirable or appropriate, the execution of which by the Mayor, the Mayor Pro Tem, the City Manager or the Executive Director of Finance shall be conclusive evidence of the approval of any such additions and changes.

(a) The Site and Facilities Lease; and
(b) The Lease Agreement.

The Mayor, the Mayor Pro Tem, the City Manager or the Executive Director of Finance is hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest and affix the seal of the City to, the final forms of each of the above-mentioned documents for and in the name and on behalf of the City.

SECTION 4. The City Manager or the Executive Director of Finance, or his designee based on such advice of City staff as said officer may deem necessary, is hereby authorized and directed to act on behalf of the City to establish and determine (i) the final principal amount of the Note, which amount shall not exceed $25,500,000; and (ii) the interest cost on the Note shall be as set forth in the term sheet presented to this meeting.

SECTION 5. The Mayor, the Mayor Pro Tem, the City Manager, the Executive Director of Finance, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions, including execution, delivery and recording of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein in connection with the issuance and sale of the Note.

SECTION 6. This Resolution shall take effect upon adoption.

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

PASSED, APPROVED, AND ADOPTED this 18th day of November 2025.

_____
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. 2025- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 18, 2025 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. 2025- duly passed and adopted by the Ontario City Council at their regular meeting held November 18, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Note in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by the Placement Agent.

Principal Amount. The City is informed that, based on the financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Note to be sold is **$25,500,000** (the "Estimated Principal Amount"). which does not include net premium estimated to be generated based on current market conditions. Net premium is generated when, on a net aggregate basis for a single issuance of Note, the price paid for such Note is higher than the face value of such Note. Such Estimated Principal Amount and such estimated net premium amount would produce approximately **$25,500,000** of gross proceeds.

True Interest Cost of the Note. The City is informed that, assuming that the Estimated Principal Amount of the Note 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 Note, 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 Note, is **4.85%**.

Finance Charge of the Note. The City is informed that, assuming that the Estimated Principal Amount of the Note is sold, and based on market interest rates prevailing at the time of preparation of such estimate and inclusive of costs attributable to the purchase of a bond insurance or reserve surety policy (which the City would purchase only if the cost of such insurance premiums were less than the interest cost savings attributable thereto), its good faith estimate of the finance charge for the Note, which means the sum of all fees and charges paid to third parties (or costs associated with the Note), is **$0.00**.

Amount of Proceeds to be Received. The City is informed that, assuming that the Estimated Principal Amount of the Note 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 the sale of the Note, less the finance charge of the Note, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Note, is **$25,500,000**.

Total Payment Amount. The City is informed that, assuming that the Estimated Principal Amount of the Note 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 Note, plus the finance charge for the Note, as described above, not paid with the proceeds of the Note, calculated to the maturity date of the Note, is **$31,683,750** (excluding any offsets from any reserves or capitalized interest).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Note 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 Note being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Note sold being different from the Estimated Principal Amount, (c) the actual amortization of the Note being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Note being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the financing plan or finance charges, or a combination of such factors. 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 AUTHORIZING THE PREPARATION OF A LEASE REVENUE NOTE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $25,500,000 IN CONNECTION WITH THE FINANCING OF PUBLIC CAPITAL IMPROVEMENTS, AUTHORIZING AND DIRECTING EXECUTION OF A SITE AND FACILITIES LEASE, LEASE AGREEMENT, ASSIGNMENT AGREEMENT, NOTE AND AUTHORIZING OFFICIAL ACTIONS AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, the Ontario Public Financing Authority (the "Authority") has been formed pursuant to the laws of the State of California, namely, the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State, as amended from time to time (the "Act"), to finance the acquisition and construction of public capital improvements for the City of Ontario (the "City"); and

WHEREAS, the City has requested the Authority to issue its Lease Revenue Note (the "Note") for the purpose of financing land acquisition for municipal purposes (the "Project"); and

WHEREAS, the City intends to lease the acquired premises (the "Leased Premises") to the Authority pursuant to a Site and Facilities Lease (the "Site and Facilities Lease") and lease the Leased Premises back from the Authority pursuant to the Lease Agreement between the City and the Authority (the "Lease Agreement"); and

WHEREAS, the Note will be issued for the purpose of financing a portion of the cost of acquiring the Project, which Note will payable from lease payments to be paid to the Authority by the City pursuant to the Lease Agreement; and

WHEREAS, the Note will be issued under the Assignment Agreement (the "Assignment Agreement") by and between the Authority and The Ronald And Kristine Pietersma Family Trust, dated February 15, 1992 (Restated) (the "Seller") and secured by the payment of the lease payments under the Lease Agreement; and

WHEREAS, under the Assignment Agreement, the Authority will assign its right to receive the lease payments and the right to exercise remedies under the Lease Agreement, to the Seller; and

WHEREAS, the Board of the Authority (the "Board") has duly considered such transactions and has determined that it approves said transactions in the public interests of the City and the Authority.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ONTARIO PUBLIC FINANCING AUTHORITY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1.

(a) Pursuant to the Act, the Board hereby finds and determines that the issuance of the Note will result in savings in effective interest rates, bond underwriting costs and bond issuance costs and thereby result in significant public benefits within the contemplation of Section 6586 of the Act.

(b) The Board finds and determines that the above recitals are true and correct and that the fair rental value of the leased premises exceeds the present value of lease payments to be made under the Lease Agreement.

SECTION 2. The Board hereby authorizes the issuance of the Note for the purpose of acquiring the premises under and pursuant to the Act, in the maximum aggregate principal amount not to exceed $25,500,000.

SECTION 3. The Board hereby approves each of the following documents in substantially the respective forms on file with the Secretary, together with such additions thereto and changes therein as Bond Counsel shall deem necessary, desirable or appropriate, the execution of which by the Chair, the Vice Chair, the Executive Director, or the Treasurer shall be conclusive evidence of the approval of any such additions and changes:

(1) the Site and Facilities Lease;
(2) Lease Agreement; and
(3) the Assignment Agreement.

The Chair, the Vice Chair, the Executive Director or the Treasurer are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest and affix the seal of the Authority to, the final form of each of the foregoing documents and agreements for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of each of the foregoing documents and agreements.

SECTION 4. The Executive Director or the Treasurer, or their designee based on such advice of Authority staff as said officer may deem necessary, is hereby authorized and directed to act on behalf of the Authority to establish and determine (i) the final principal amount of the Note, which amount shall not exceed $25,500,000; and (ii) the interest cost on the Note shall be as set forth in the term sheet presented to this meeting.

SECTION 5. The Chair, the Vice Chair, the Executive Director, the Treasurer, the Secretary and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, and including execution, delivery and recording of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in connection with the issuance and sale of the Note.

SECTION 6. This Resolution shall take effect upon adoption.

The Secretary of the Ontario Public Financing Authority shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of November 2025.

_____
PAUL S. LEON, CHAIRMAN

ATTEST:

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

APPROVED AS TO FORM:

_____
AUTHORITY COUNSEL

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 November 18, 2025, 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 November 18, 2025

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Kim A. Byrens, Esq.
Best Best & Krieger LLP
3390 University Avenue, 5th Floor
Riverside, CA 92501

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

LEASE AGREEMENT

by and between

ONTARIO PUBLIC FINANCING AUTHORITY,
as Sublessor

and

CITY OF ONTARIO,
as Sublessee

Dated as of _____

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LEASE AGREEMENT

THIS LEASE AGREEMENT (as amended and supplemented hereafter, this "Lease Agreement"), dated as of _____, is by and between the **ONTARIO PUBLIC FINANCING AUTHORITY**, a joint exercise of powers authority, , duly organized and existing under and by virtue of the laws of the State of California, as lessor (the "Authority"), and the **CITY OF ONTARIO**, a general law city, duly organized and existing under and by virtue of the laws of the State of California, as lessee (the "City");

W I T N E S S E T H :

WHEREAS, the City wishes to improve certain property for the Ontario Sports Complex Project (the "Project"); and

WHEREAS, pursuant to that certain Site and Facility Lease, dated as of _____ (the "Site and Facility Lease"), the City has leased those certain parcels of real property located in the unincorporated area of San Bernardino County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (the "Site"), and any improvements to be built thereon (the "Facility" and, with the Site, the "Property"), to the Authority, all for the purpose of enabling the City to finance the Project; and

WHEREAS, the Authority proposes to lease the Property back to the City pursuant to this Lease Agreement; and

WHEREAS, in consideration of the right of possession of, and the continued quiet use and enjoyment of, the Property during each Rental Period under this Lease, the City agrees to make certain Lease Payments (as hereinafter defined); and

WHEREAS, the City and the Authority have agreed to enter into this Lease Agreement providing for Lease Payments with an aggregate principal component in the amount of $25,500,000 for the purpose of implementing the financing transactions described above.

WHEREAS, the City and the Authority agree to mutually cooperate now and hereafter, to the extent possible, in order to sustain the intent of this Lease Agreement and the bargain of both parties hereto.

AGREEMENT

NOW, THEREFORE, for and in consideration of the premises and the covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS; RULES OF INTERPRETATION

Section 1.01. Definitions. All terms defined in this Section 1.01 have the meanings herein specified for all purposes of this Lease Agreement.

"*Additional Payments*" means the amounts specified as such in Section 4.03(b) of this Lease Agreement.

"*Applicable Environmental Laws*" means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC Sections 6901 et seq.; the Federal Water Pollution Control Act, 33 USC Sections 1251 et seq.; the Clean Air Act, 42 USC Sections 7401 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health & Safety Code Sections 25100 et seq.; the Hazardous Substance Account Act ("HSAA"), California Health & Safety Code Sections 25300 et seq.; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code Sections 1300 et seq.; the Air Resources Act, California Health & Safety Code Sections 3900 et seq.; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 et seq.; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

(a) the existence, cleanup, and/or remedy of contamination on property;

(b) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;

(c) the control of hazardous wastes; or

(d) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

"*Assignee*" means THE RONALD AND KRISTINE PIETERSMA FAMILY TRUST, DATED FEBRUARY 15, 1992 (RESTATED), and its successors and assigns.

"*Assignment Agreement*" means the Assignment Agreement, dated _____, between the Authority and Assignee, as amended and supplemented hereafter.

"*Business Day*" means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in the State.

City Representative" means the City Manager, the Executive Director of Finance, or the designee of any such official, or any other person authorized by resolution delivered to the Authority to act on behalf of the City under or with respect to the Site and Facility Lease and this Lease Agreement.

"*Closing Date*" means the date this Lease Agreement or a memorandum thereof is recorded in the office of the County Recorder of the County of San Bernardino.

"*Contract*" means any indenture, trust agreement, contract, agreement (other than this Lease Agreement), other contractual restriction, lease, mortgage or instrument.

"*Event of Default*" means any of the events of default as defined in Section 8.01.

"*Facility*" means any facilities which may be built or added to the Site.

"*Federal Securities*" means any direct general non-callable 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), or obligations the timely payment of principal of and interest on which are directly guaranteed by the United States of America.

"*Fiscal Year*" means each twelve-month period during the Term of this Lease Agreement commencing on July 1 in any calendar year and ending on June 30 in the next succeeding calendar year, or any other twelve-month period selected by the City as its fiscal year period.

"*Governmental Authority*" means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other person with authority to bind a party at law.

"*Hazardous Substance*" means any substance that shall, at any time, be listed as "hazardous" or "toxic" in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Property, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.).

"*Lease Agreement*" has the meaning assigned in the preamble.

"*Lease Payment Date*" means the first day of each month, commencing _____, and continuing to and including the date on which the Lease Payments are paid in full.

"*Lease Payments*" means all payments required to be paid by the City under Section 4.04, including any prepayment thereof under Sections 9.02 or 9.03.

"Material Adverse Effect" means an event or occurrence which adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the City; provided, however, in making a determination under this section (a), the Bank will not take into account for purposes of Section 8.01 any event or occurrence affecting solely any of the City's proprietary departments, (b) the ability of the City to carry out its business in the manner conducted as of the date of this Lease Agreement or to meet or perform its obligations under this Lease Agreement on a timely basis, or (c) the validity or enforceability of this Lease Agreement.

"*Material Litigation*" means any action, suit, proceeding, inquiry or investigation against the City in any court or before any arbitrator of any kind or before or by any Governmental Authority, which (i) if determined adversely to the City, may have a Material Adverse Effect, (ii)

seeks to restrain or enjoin any of the transactions contemplated by this Lease Agreement, or (iii) may adversely affect the ability of the City to perform its obligations under this Lease Agreement.

"*Net Proceeds*" means any insurance or eminent domain award (including any proceeds of sale to a governmental entity under threat of the exercise of eminent domain powers), paid with respect to the Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

"*Permitted Encumbrances*" means, as of any time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the City may permit to remain unpaid under Article VI of this Lease Agreement; (b) the Site and Facility Lease and this Lease Agreement; (c) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (d) the exceptions disclosed in the title insurance policy issued with respect to the Property as of the Closing Date; and (e) any easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the City certifies in writing will not materially impair the use of the Property for its intended purposes.

Ontario Sports Complex Project"*Property*" means, collectively, the Site and the Facility.

"*Rental Period*" means each period during the Term of the Lease commencing on and including September 1 in each year and extending to and including the next succeeding August 31. The first Rental Period begins on the Closing Date and ends on August 31, 2026.

"*Site*" means that certain real property more particularly described in Exhibit A to the Site and Facility Lease and in Exhibit A to this Lease Agreement.

"*Site and Facility Lease*" means the Site and Facility Lease, dated as of _____, by and between the City, as lessor, and the Authority, as lessee, together with any duly authorized and executed amendments thereto.

"*State*" means the State of California.

"*Term of this Lease Agreement*" or "*Term*" means the time during which this Lease Agreement is in effect, as provided in Section 4.02.

Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Lease Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 2.01. Covenants, Representations and Warranties of the City. The City makes the following covenants, representations and warranties to the Authority as of the date of the execution and delivery of this Lease Agreement:

(a) ***Due Organization and Existence***. The City is a general law city, duly organized and existing under and by virtue of the laws of the State, has full legal right, power and authority under the laws of the State to enter into the Site and Facility Lease and this Lease Agreement and to carry out and consummate all transactions on its part contemplated hereby and thereby, and by proper action the City has duly authorized the execution and delivery by the City of the Site and Facility Lease and this Lease Agreement.

(b) ***Due Execution***. The representative of the City executing the Site and Facility Lease and this Lease Agreement has been fully authorized to execute the same by a resolution duly adopted by the City Council of the City.

(c) ***Valid, Binding and Enforceable Obligations***. The Site and Facility Lease and this Lease Agreement have been duly authorized, executed and delivered by the City and constitute the legal, valid and binding agreements of the City enforceable against the City in accordance with their respective terms.

(d) ***No Conflicts***. The execution and delivery of the Site and Facility Lease and this Lease Agreement, the consummation of the transactions therein and herein contemplated and the fulfillment of or compliance with the terms and conditions thereof and hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the City is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site and Facility Lease or this Lease Agreement or the financial condition, assets, properties or operations of the City.

(e) ***Consents and Approvals***. No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission,

authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of the Site and Facility Lease and this Lease Agreement, or the consummation of any transaction therein and herein contemplated, except as have been obtained or made and as are in full force and effect.

(f) ***No Litigation***. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending and notice of which has been served on the City or, to the knowledge of the City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a Material Adverse Effect upon the consummation of the transactions contemplated by or the validity of the Site and Facility Lease and this Lease Agreement and the City's ability to make the Lease Payments, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease Agreement.

(g) ***Sufficient Funds***. The City reasonably believes that sufficient funds can be obtained to make all Lease Payments and all other amounts required to be paid pursuant to this Lease Agreement.

(h) ***No Defaults***. The City has never non-appropriated or defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Lease Agreement, or under any of its bonds, notes, or other debt obligations.

(i) ***Fee Title***. The City is the owner in fee of title to the Property. No lien or encumbrance on the Property materially impairs the City's use of the Property for the purposes for which it is, or may reasonably be expected to be, held.

(j) ***Use of the Property, Essentiality***. During the term of this Lease Agreement, the Property will be used by the City only for the purpose of performing one or more governmental or proprietary functions of the City consistent with the permissible scope of the City's authority. The Property is essential to the City's operations and the lease thereof for use by the City is in the best interest of the City.

(k) ***Hazardous Substances***. The Property is free of all Hazardous Substances, and the City is in full compliance with all Applicable Environmental Laws.

(l) ***Flooding Risk***. The Property is not located in a flood hazard area and has never been subject to material damage from flooding.

(m) ***Value of Property***. The value of the Property (real property replacement cost) is not less than $26,025,000.00.

(n) ***Financial Statements***. The statement of financial position of the City as of June 30, 2025, and the related statement of activities and statement of cash flows and

changes in financial position for the year then ended and the auditors' reports with respect thereto, copies of which have heretofore been furnished to the Authority, are complete and correct and fairly present the financial condition, changes in financial position and results of operations of the City at such date and for such period, and were prepared in accordance with generally accepted accounting principles. Since the period of such statements, there has been no (i) change which would have a Material Adverse Effect and (ii) no material increase in the indebtedness of the City.

(o) ***No Material Adverse Change***. Since the most current date of the information, financial or otherwise, supplied by the City to the Authority:

(i) There has been no change in the assets, liabilities, financial position or results of operations of the City which might reasonably be anticipated to cause a Material Adverse Effect.

(ii) The City has not incurred any obligations or liabilities which might reasonably be anticipated to cause a Material Adverse Effect.

(iii) The City has not (A) incurred any material indebtedness, other than the Lease Payments, and trade accounts payable arising in the ordinary course of the City's business and not past due, or (B) guaranteed the indebtedness of any other person.

(p) ***Accuracy of Information***. All information, reports and other papers and data furnished by the City to the Authority and the Assignee were, at the time the same were so furnished, complete and accurate in all material respects and insofar as necessary to give the Authority and the Assignee a true and accurate knowledge of the subject matter and were provided in expectation of the Authority's and the Assignee's reliance thereon in entering into the transactions contemplated by this Lease Agreement. Any financial, budget and other projections furnished to the Authority and the Assignee by the City or its or their agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent the City's best estimate of its future financial performance.

Section 2.02. Covenants, Representations and Warranties of the Authority. The Authority makes the following covenants, representations and warranties to the City as of the date of the execution and delivery of this Lease Agreement:

(a) the Authority has been duly organized and is validly existing as a joint powers authority under the laws of the State of California with full corporate power to enter into and undertake its duties and obligations hereunder and has sufficient knowledge and experience in financial and business matters, including purchase and ownership of tax-exempt municipal obligations, to be able to evaluate the economic risks and merits of the investment represented by the Lease;

(b) the execution, delivery and performance of this Lease Agreement and the Site and Facility Lease have been duly authorized by all necessary corporate actions on the part of the Authority and do not require any further approvals or consents;

(c) the execution, delivery and performance of this Lease Agreement and the Site and Facility Lease do not and will not result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which the Authority is a party by which it or its property is bound;

(d) there is no pending or, to the knowledge of the Authority, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of the Authority to perform its obligations under this Lease Agreement and the Site and Facility Lease;

(e) the Authority will not mortgage or encumber the Property or the Lease Agreement or assign this Lease Agreement or its rights to receive Lease Payments hereunder, except as expressly permitted herein or in the Site and Facility Lease; and

(f) on or prior to the Closing Date, the Authority will require the Assignee to deliver to the City a certificate substantially in the form set forth in Exhibit E attached hereto in connection with its assignment of its interest herein to Assignee.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS

Section 3.01. [Reserved].

ARTICLE IV

LEASE OF PROPERTY; LEASE PAYMENTS

Section 4.01. Sublease of Property by the Authority Back to the City.

(a) The Authority hereby subleases the Property to the City, and the City hereby subleases the Property from the Authority, upon the terms and conditions set forth in this Lease Agreement.

(b) The leasing of the Property by the City to the Authority pursuant to the Site and Facility Lease shall not affect or result in a merger of the City's subleasehold estate pursuant to this Lease Agreement and its fee estate as lessor under the Site and Facility Lease.

Section 4.02. Term. The Term of this Lease Agreement commences on the __th day of _____, 202_ and ends on _____, 20__, or the date on which all of the Lease Payments have been paid in full. If on _____, 20__, the Lease Payments payable hereunder shall have been abated at any time and for any reason and not otherwise paid from rental interruption insurance or other sources, or the City shall have defaulted in its payment of Lease Payments

hereunder or any Event of Default has occurred and continues without cure by the City, then the term of this Lease Agreement shall be extended for the actual period of abatement or for so long as the default remains uncured, as necessary to accommodate the final payment of all Lease Payments due hereunder, not to exceed 10 years. The provisions of this Section 4.02 are subject to the provisions of Section 6.01 relating to the taking in eminent domain of the Property or any portion thereof.

Section 4.03. Lease Payments.

(a) ***Obligation to Pay***. Subject to the provisions of Sections 6.01 and 6.03 and the provisions of Article IX, the City agrees to pay to the Authority, its successors and assigns, the Lease Payments (denominated into components of principal and interest) in the respective amounts specified in Exhibit C attached hereto (including any supplements thereto) and by this reference incorporated herein, to be due and payable in immediately available funds on each of the respective Lease Payment Dates specified in Exhibit C. The Lease Payments payable in any Rental Period with respect to the Property shall be for the use of the Property during such Rental Period. The interest components of the Lease Payments have been calculated based on an interest rate of 4.85% per annum, on the basis of a 360-day year of twelve 30-day months, and shall be payable with respect to the amounts drawn pursuant to Section 3.01 hereof. The City understands that the Assignee will send an invoice to the City in advance of each Lease Payment Date.

(b) ***Additional Payments***. In addition to the Lease Payments set forth herein, the City agrees to pay as Additional Payments all of the following:

(i) all taxes and assessments of any nature whatsoever, including but not limited to excise taxes, ad valorem taxes, ad valorem and specific lien special assessments and gross receipts taxes, if any, levied upon the Property or upon any interest of the Authority therein or in this Lease Agreement; provided, however, the City may, at the City's expense and in its name, in good faith contest any such taxes and assessments and, in the event of such contest, may permit such taxes and assessments to remain unpaid during the period of such contest and appeal therefrom unless the Authority shall notify the City that, in the opinion of Bond Counsel, by nonpayment of any such items, the interest of the Authority in the Property will be materially endangered or the Property, or any portion thereof, will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes and assessments or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority;

(ii) insurance premiums, if any, on all insurance required under the provisions of Article V hereof; and

(iii) any other reasonable fees, costs or expenses incurred by the Authority in connection with the execution, performance or enforcement of this Lease Agreement or any of the transactions contemplated hereby or related to the Property, including, without limitation, any amounts which may become due;

provided, however, the City shall not be responsible for any costs incurred by the Authority associated with any assignment of this Lease Agreement.

Amounts constituting Additional 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 30 days after notice in writing from the Authority to the City stating the amount of Additional Payments then due and payable and the purpose thereof.

(c) ***Effect of Prepayment***. If the City prepays all Lease Payments in full under Sections 9.02 or 9.03, the City's obligations under this Section will thereupon cease and terminate. If the City prepays the Lease Payments in part but not in whole under Section 9.03, the principal components of the remaining Lease Payments will be reduced in inverse order; and the interest component of each remaining Lease Payment will reflect the actual interest amount accrued at the interest rate than in place.

(d) ***Fair Rental Value***. The Lease Payments coming due and payable during each Rental Period constitute the total rental for the Property for such Rental Period, and will be paid by the City in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Property during each Rental Period. The City has determined that the total Lease Payments due during each Rental Period are not in excess of the fair rental value of the Property during such Rental Periods. In making this determination, consideration has been given to the estimated fair market value of the Property, the estimated replacement cost of the Property, the uses and purposes which may be served by the Property and the benefits therefrom which will accrue to the City and the general public.

(e) ***Source of Payments; Budget and Appropriation***. The Lease Payments are payable from any source of legally available funds of the City, subject to the provisions of Sections 6.01, 6.03 and 9.01. The City covenants to take such action as may be necessary to include all Lease Payments in each of its annual budgets during the Term of this Lease Agreement and to make the necessary annual appropriations for all such Lease Payments. The covenants on the part of the City herein contained constitute 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 this Lease Agreement agreed to be carried out and performed by the City.

(f) ***Allocation of Lease Payments***. All Lease Payments received shall be applied first to the interest components of the Lease Payments due hereunder, then to the principal components of the Lease Payments due hereunder, but no such application of any payments that are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

(g) ***No Offsets***. Notwithstanding any dispute between the Authority and the City, the City shall make all Lease Payments when due without deduction or offset of any

kind and shall not withhold any Lease Payments pending the final resolution of such dispute.

(h) ***Payments under this Lease Agreement***. The Authority hereby directs the City, and the City hereby agrees, to pay to the Authority (or to its assignees as directed pursuant to Section 7.04 hereof) all payments payable by the City under this Section 4.03 and all amounts payable by the City under Article IX. Lease Payments shall be paid at the direction of the Authority to the Assignee as set forth in the Assignment Agreement:

Section 4.04. Additional Obligations. The City shall not issue additional leases, bonds, notes or other indebtedness which are Secured from lease payments against the Property without the written consent of the Assignee.

Section 4.05. Quiet Enjoyment. Throughout the Term of this Lease Agreement, the Authority will provide the City with quiet use and enjoyment of the Property and the City will peaceably and quietly have and hold and enjoy the Property, without suit, trouble or hindrance from the Authority, except as expressly set forth in this Lease Agreement. The Authority will, at the request of the City and at the City's cost, join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the Authority may lawfully do so. Notwithstanding the foregoing, the Authority has the right to inspect the Property as provided in Sections 5.12(c) and 7.02.

Section 4.06. Title. At all times during the Term of this Lease Agreement, the City shall hold title to the Property, including all additions which comprise fixtures, repairs, replacements or modifications thereto, subject to Permitted Encumbrances and subject to the provisions of Section 7.02.

Upon the termination of this Lease Agreement (other than under Section 8.02(b) hereof), all right, title and interest of the Authority in and to the Property shall be transferred to and vested in the City. Upon the payment in full of all Lease Payments allocable to the Property, or upon the deposit by the City of security for such Lease Payments as provided in Section 9.01, all right, title and interest of the Authority in and to the Property shall be transferred to and vested in the City. The Authority agrees to take any and all steps and execute and record any and all documents reasonably required by the City to consummate any such transfer.

Section 4.07. Release of Excess Property. The City may, at any time and from time to time, release any portion of the Property (the "Released Property") from this Lease Agreement, with the prior written consent of the Authority and the Assignee, which consent shall be at the Authority's and Assignee's sole discretion, and upon satisfaction of all of the following requirements which are conditions precedent to such release:

(a) The City shall certify to the Authority that no Event of Default has occurred and is continuing, and no event giving rise to an abatement of Lease Payments under Section 6.03 has occurred or is continuing with respect to the Property to be remaining following release of the Released Property;

(b) The City shall file with the Authority, and cause to be recorded in the office of the San Bernardino County Recorder, an amendment to this Lease Agreement which deletes the Released Property from the description of the Property;

(c) The City shall file with the Authority a written certificate of the City stating the City's determination that the estimated fair rental value, for each remaining Rental Period and in the aggregate, of the Property remaining after release of the Released Property is at least equal to the remaining Lease Payments for each remaining Rental Period and in the aggregate, and that the remaining property under this Lease Agreement constitutes an entire assessor's parcel; and

(d) The City shall file with the Authority such other information, documents and instruments as the Authority shall reasonably request, including (if requested by the Authority) evidence of the insurable value of the Property to be remaining following release of the Released Property, indicating that such value is in excess of the then unpaid principal component of the Lease Payments and such endorsements to the title policy delivered on the Closing Date.

Upon the satisfaction of all such conditions precedent, the Term of this Lease Agreement will thereupon end as to the Released Property. The City shall be responsible for all costs relating to such release, including the costs of the Assignee's legal counsel. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Authority and the City shall execute, deliver and cause to be recorded all documents required to discharge this Lease Agreement of record against the Released Property.

Section 4.08. Substitution of Property.

The City may at any time and from time to time, with the prior written consent of the Authority, substitute other real property (the "Substitute Property") for the Property, or any portion thereof (the "Former Property"), provided that the City satisfies all of the following requirements which are conditions precedent to such substitution:

(i) No Event of Default shall have occurred and be continuing and no event giving rise to an abatement of Lease Payments under Section 6.3 hereof shall have occurred and be continuing with respect to the Substitute Property;

(ii) The City shall file with the Authority, and cause to be recorded in the office of the San Bernardino County Recorder sufficient memorialization of, an amendment of the Lease Agreement which adds to Exhibit B thereto a description of such Substitute Property and deletes therefrom the description of such Former Property;

(iii) The City shall obtain a ALTA policy of title insurance insuring the Authority's leasehold estate under the Site and Facility Lease in such Substitute Property, subject only to Permitted Encumbrances, in an amount at least equal to the aggregate principal components of the Lease Payments outstanding under this Lease Agreement;

(iv) The City shall certify in writing to the Authority and the Assignee that such Substitute Property serves the municipal purposes of the City and constitutes property

which the City is permitted to lease under the Laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the City and to serve an essential governmental function of the City;

(v) The Substitute Property shall not cause the City to violate any of its covenants, representations and warranties made in this Lease Agreement;

(vi) The City shall file with the Authority and the Assignee an appraisal or other written documentation acceptable to the Authority and the Assignee which establishes that the fair market value and the fair rental value of the Substitute Property are at least equal to the present value of the remaining Lease Payments in the aggregate and for each remaining Rental Period, respectively, and that the useful life of the Substitute Property at least equals the lesser of (i) the useful life of the Former Property; or (ii) the final Lease Payment Date of the Lease Payments allocable thereto; and

(vii) In the event of damage or destruction of the Leased Property from earthquake or other uninsured peril, the City shall substitute under this Lease Agreement other unencumbered real property of a value and useful life not less than the outstanding principal component of the Lease Payments and the remaining term of this Lease Agreement.

Upon the satisfaction of all such conditions precedent, the term of the Lease Agreement shall thereupon end as to the Former Property and shall thereupon commence as to the Substitute Property, and all references to the Former Property shall apply with full force and effect to the Substitute Property. The City shall not be entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution. The Authority and the City shall execute, deliver and cause to be recorded all documents required to discharge the Lease Agreement of record against the Former Property. The City shall be responsible for all costs related to such substitution, including the costs of the Assignee's legal counsel.

ARTICLE V

MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

Section 5.01. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Lease Agreement, as part of the consideration for the rental of the Property, all improvement, repair and maintenance of the Property are the sole responsibility of the City, and the City will 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, water and all other utility services, and shall pay for or otherwise arrange for the 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 Lease Payments herein provided, the Authority agrees to provide only the Property, as hereinbefore more specifically set forth. The City waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code, but such waiver does not limit any of the rights of the City under the terms of this Lease Agreement.

The City will pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Authority or the City affecting the Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City is 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 may, at the City'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 shall notify the City that, in its reasonable opinion, 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 will 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. The City shall promptly notify the Authority of any tax, assessment, utility or other charge it elects to contest.

Section 5.02. Modification of Property. The City has the right, at its own expense, to make additions, modifications and improvements to the Property or any portion thereof. All additions, modifications and improvements to the Property will thereafter comprise part of the Property and become subject to the provisions of this Lease Agreement. Such additions, modifications and improvements may not in any way damage the Property, or cause the Property 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 thereto under this Section, must be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements.

Section 5.03. Public Liability Insurance. The City shall maintain or cause to be maintained throughout the Term of this Lease Agreement a standard comprehensive general liability insurance policy or policies in protection of the City, the Authority and their respective members, officers, agents, employees and assigns. 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 operation of the Property. Such policy or policies must provide coverage with limits of at least $1,000,000 per occurrence and $2,000,000 in the aggregate, for bodily injury and property damage coverage in form and amount (including any deductibles) satisfactory to the Authority. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City (including, with Authority's prior written consent, a self insurance program), and may be maintained in whole or in part in the form of the participation by the City in a joint powers authority or other program providing pooled insurance. The City will apply the proceeds of such liability insurance toward extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 5.04. Casualty Insurance. The City will procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease Agreement, casualty insurance against loss or damage to all buildings situated on the Property and owned by the City, in an amount at

least equal to the greater of the replacement value of the insured buildings and the aggregate principal amount of the Lease Payments outstanding, with a lender's loss payable endorsement. Such insurance must, as nearly as practicable, cover loss or damage by all "special form" perils. Such insurance shall be subject to a deductible of not to exceed $50,000. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City (including, with the Authority's prior written consent, a self insurance program), and may be maintained in whole or in part in the form of the participation by the City in a joint powers authority or other program providing pooled insurance. The City will apply the Net Proceeds of such insurance as provided in Section 6.02.

Section 5.05. Rental Interruption Insurance. The City will procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the Property and the improvements situated thereon as a result of any of the hazards covered in the insurance required by Section 5.04, in an amount at least equal to the maximum Lease Payments coming due and payable during any future 24 month period. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers authority or other program providing pooled insurance; provided that such rental interruption insurance shall not be self-insured by the City. The City will apply the Net Proceeds of such insurance towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

Section 5.06. Worker's Compensation Insurance. If required by applicable California law, the City shall carry worker's compensation insurance covering all employees on, in, near or about the Property and, upon request, shall furnish to the Authority certificates evidencing such coverage throughout the Term of this Lease Agreement. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City (including a self insurance program), and may be maintained in whole or in part in the form of the participation by the City in a joint powers authority or other program providing pooled insurance.

Section 5.07. Recordation Hereof; Title Insurance. On or before the Closing Date, the City shall, at its expense, (a) cause this Lease Agreement, the Site and Facility Lease and the Assignment Agreement, or a memorandum hereof or thereof in form and substance approved by Bond Counsel, to be recorded in the office of the San Bernardino County Recorder with respect to the Property, and (b) obtain a ALTA title insurance policy insuring the Authority's interests in the leasehold estate established under the Site and Facility Lease and hereunder in the Property, subject only to Permitted Encumbrances, in an amount equal to the original principal components of the Lease Payments. The City will apply the Net Proceeds of such insurance as provided in Section 6.02.

Section 5.08. Insurance Net Proceeds; Form of Policies. All insurance policies (or riders) required by this Article V and provided by third party insurance carriers shall be taken out and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State, and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least ten days before the cancellation or revision becomes effective. Each insurance

policy or rider required by Sections 5.03, 5.04 and 5.05 and provided by third party insurance carriers shall name the City and the Assignee as insured parties and the Assignee as loss payee and shall include a lender's loss payable endorsement for the benefit of the Assignee. In the case of coverage pursuant to Section 5.03, the Assignee shall be added as an additional insured. Prior to the Closing Date, the City will deposit with the Assignee policies (and riders and endorsements, if applicable) evidencing any such insurance procured by it, or a certificate or certificates of the respective insurers stating that such insurance is in full force and effect. Before the expiration of any such policy (or rider), the City will furnish to the Assignee evidence that the policy has been renewed or replaced by another policy conforming to the provisions of this Article V unless such insurance is no longer obtainable, in which event the City shall notify the Assignee of such fact.

Section 5.09. Installation of City's Personal Property. The City may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Property. All such items shall remain the sole property of the City, in which the Authority has no interest, and may be modified or removed by the City at any time. The City must 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 prevents the City from purchasing or leasing items to be installed under this Section under a lease or conditional sale agreement, 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 may attach to any part of the Property.

Section 5.10. Liens. The City will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, other than as herein contemplated and except for such encumbrances as the City certifies in writing to the Authority do not materially and adversely affect the leasehold estate in the Property hereunder and for which the Authority provides its prior written approval, which approval shall be at Authority's sole discretion. Except as expressly provided in this Article V, the City will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The City will reimburse the Authority for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 5.11. Advances. If the City fails to perform any of its obligations under this Article V, the Authority may take such action as may be necessary to cure such failure, including the advancement of money, and the City shall be obligated to repay all such advances as additional rental hereunder, with interest at the rate set forth in Section 4.03(c).

Section 5.12. Environmental Covenants.

(a) ***Compliance with Laws; No Hazardous Substances***. The City will comply with all Applicable Environmental Laws with respect to the Property and will not use, store, generate, treat, transport, or dispose of any Hazardous Substance thereon or in a manner that would cause any Hazardous Substance to later flow, migrate, leak, leach, or otherwise come to rest on or in the Property.

(b) ***Notification of Authority***. The City will transmit copies of all notices, orders, or statements received from any governmental entity concerning violations or asserted violations of Applicable Environmental Laws with respect to the Property and any operations conducted thereon or any conditions existing thereon to the Authority, and the City will notify the Authority in writing immediately of any release, discharge, spill, or deposit of any Hazardous Substance that has occurred or is occurring that in any way affects or threatens to affect the Property, or the people, structures, or other property thereon, provided that no such notification shall create any liability or obligation on the part of the Authority.

(c) ***Access for Inspection***. The City will permit the Authority, its agents, or any experts designated by the Authority to have full access to the Property during reasonable business hours for purposes of such independent investigation of compliance with all Applicable Environmental Laws, provided that the Authority has no obligation to do so, or any liability for any failure to do so, or any liability should it do so.

ARTICLE VI

EMINENT DOMAIN; USE OF NET PROCEEDS

Section 6.01. Eminent Domain. If all of the Property shall be taken permanently under the power of eminent domain or sold to a governmental entity threatening to exercise the power of eminent domain, the Term of this Lease Agreement shall cease as of the day possession shall be so taken. If less than all of the Property shall be taken permanently, or if all of the Property or any part thereof shall be taken temporarily under the power of eminent domain, (a) this Lease Agreement shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (b) there shall be a partial abatement of Lease Payments in an amount equal to the application of the Net Proceeds of any eminent domain award to the prepayment of the Lease Payments hereunder, in an amount to be agreed upon by the City and the Authority such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Property.

Section 6.02. Application of Net Proceeds.

(a) ***From Insurance Award***.

(i) Any Net Proceeds of insurance against damage to or destruction of any part of the Property collected by the City in the event of any such damage or destruction shall be deposited by the City promptly upon receipt thereof in a special fund with the Authority designated as the "Insurance and Condemnation Fund."

(ii) Within 90 days following the date of such deposit, the City shall determine and notify the Authority in writing of its determination either (A) that the replacement, repair, restoration, modification or improvement of the Property is not economically feasible or in the best interest of the City and the Net Proceeds, together with other moneys available therefor, are sufficient to cause the prepayment of the principal components of all unpaid Lease Payments pursuant to

Section 9.03 hereof, or (B) that all or a portion of such Net Proceeds are to be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Property and the fair rental value of the Property following such repair, restoration, replacement, modification or improvement will at least equal the unpaid principal component of the Lease Payments.

(iii) In the event the City's determination is as set forth in clause (A) of subparagraph (ii) above, such Net Proceeds shall be promptly applied to the prepayment of Lease Payments and other amounts pursuant to Section 9.03 of this Lease Agreement; provided, however, that in the event of damage or destruction of the Property in full, such Net Proceeds may be so applied only if sufficient, together with other moneys available therefor, to cause the prepayment of the principal components of all unpaid Lease Payments, all accrued and unpaid interest, Prepayment Premiums described in Section 9.02, and all other costs related to such prepayments pursuant to Section 9.03 of this Lease Agreement and otherwise such Net Proceeds shall be applied to the prompt replacement, repair, restoration, modification or improvement of the Property; provided further, however, that in the event of damage or destruction of the Property in part, such Net Proceeds may be applied to the prepayment of Lease Payments only if the resulting Lease Payments following such prepayment from Net Proceeds represent fair consideration for the remaining portions of the Property and otherwise such Net Proceeds shall be applied to the prompt replacement, repair, restoration, modification or improvement of the Property, evidenced by a certificate signed by a City Representative.

(iv) In the event the City's determination is as set forth in clause (B) of subparagraph (ii) above, such Net Proceeds shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Property by the City, and until the Property has been restored to its prior condition, the City shall not place any lien or encumbrance on the Property that is senior to this Lease Agreement without the prior written consent of the Authority, at its sole discretion.

(b) ***From Eminent Domain Award***. If all or any part of the Property shall be taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited by the City in the Insurance and Condemnation Fund and shall be applied and disbursed as follows:

(i) If the City has given written notice to the Authority of its determination that (A) such eminent domain proceedings have not materially affected the operation of the Property or the ability of the City to meet any of its obligations with respect to the Property under this Lease Agreement, and (B) such proceeds are not needed for repair or rehabilitation of the Property, the City shall so certify to the Authority and the Authority, and the City shall credit such proceeds towards the prepayment of the Lease Payments pursuant to Section 9.03 of this Lease Agreement.

(ii) If the City has given written notice to the Authority and the Authority of its determination that (A) such eminent domain proceedings have not materially affected the operation of the Property or the ability of the City to meet any of its obligations with respect to the Property under this Lease Agreement, and (B) such proceeds are needed for repair, rehabilitation or replacement of the Property, the City shall so certify to the Authority, and the City shall apply such amounts for such repair or rehabilitation.

(iii) If (A) less than all of the Property shall have been taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the City has given written notice to the Authority of its determination that such eminent domain proceedings have materially affected the operation of the Property or the ability of the City to meet any of its obligations with respect to the Property under the Lease Agreement or (B) all of the Property shall have been taken in such eminent domain proceedings, then the City shall credit such proceeds towards the prepayment of the Lease Payments pursuant to Section 9.03 of this Lease Agreement.

(iv) In making any determination under this Section 6.02(b), the City may, but shall not be required to, obtain at its expense, the report of an independent engineer or other independent professional consultant, a copy of which shall be filed with the Authority. Any such determination by the City shall be final.

(c) ***From Title Insurance***. The Net Proceeds from a title insurance award shall be deposited by the City in the Insurance and Condemnation Fund and credited towards the prepayment of Lease Payments required to be paid pursuant to Section 9.03 of this Lease Agreement.

Section 6.03. Abatement of Lease Payments in the Event of Damage or Destruction. Lease Payments shall be abated during any period in which, by reason of damage or destruction, there is substantial interference with the use and occupancy by the City of the Property or any portion thereof to the extent to be agreed upon by the City and the Authority. The parties agree that the amounts of the Lease Payments under such circumstances shall not be less than the amounts of the unpaid Lease Payments as are then set forth in Exhibit C, unless such unpaid amounts are determined to be greater than the fair rental value of the portions of the Property not damaged or destroyed, based upon an appropriate method of valuation, in which event the Lease Payments shall be abated such that they represent said fair rental value. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction as evidenced by a Certificate of a City Representative to the Authority. In the event of any such damage or destruction, this Lease Agreement shall continue in full force and effect and the City waives any right to terminate this Lease Agreement by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under this Section 6.03 to the extent that (a) the proceeds of rental interruption insurance or (b) amounts in the Insurance and Condemnation Fund are available to pay Lease Payments which would otherwise be abated under this Section 6.03, it being hereby declared that such proceeds and amounts constitute special funds for the payment of the Lease Payments.

ARTICLE VII

OTHER COVENANTS OF THE CITY

Section 7.01. Disclaimer of Warranties. THE AUTHORITY MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE CITY OF THE PROPERTY OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROPERTY OR ANY PORTION THEREOF. THE CITY ACKNOWLEDGES THAT THE CITY LEASES THE PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE CITY. In no event is the Authority liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease Agreement for the existence, furnishing, functioning or use of the Property by the City.

Section 7.02. Access to the Property; Grant and Conveyance of Right of Entry. The City agrees that the Authority, and the Authority's successors or assigns, has the right at all reasonable times, following at least 48 hours written notice provided to the City, to enter upon and to examine and inspect (to the extent permitted by law and public policy) the Property or any part thereof. The City further agrees that the Authority, and the Authority's successors or assigns shall have such rights of access to the Property or any component thereof, following at least 48 hours written notice provided to the City, as may be reasonably necessary to cause the proper maintenance of the Property if the City fails to perform its obligations hereunder. Neither the Authority nor any of its assigns has any obligation to cause such proper maintenance.

The City further grants, conveys and confirms to the Authority, for the use, benefit and enjoyment of the Authority, its successors in interest to the Property, including the Authority, and its sublessees, and their respective employees, invitees, agents, independent contractors, patrons, customers, guests and members of the public visiting the Property, a right of entry which shall be irrevocable for the Term of this Lease Agreement over, across and under the property of the City adjacent to the Property to and from the Property for the purpose of: (a) ingress, egress, passage or access to and from the Property by pedestrian or vehicular traffic; (b) installation, maintenance and replacement of utility wires, cables, conduits and pipes; and (c) other purposes and uses necessary or desirable for access to and from and for operation and maintenance of the Property.

Section 7.03. Release and Indemnification Covenants. To the extent permitted by law, the City hereby indemnifies the Authority, and its directors, officers, agents, employees, successors and assigns against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on the Property by the City or the City's employees, agents, contractors, invitees or licensees, (b) any breach or default on the part of the City in the performance of any of its obligations under this Lease Agreement, (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Property, (d) any intentional misconduct or negligence of any sublessee of the City with respect to the Property, (e) the acquisition, construction, improvement and equipping of the Property, (f) the clean-up of any Hazardous Substances or toxic wastes from the Property, or (g) any claim alleging violation of any

Applicable Environmental Laws, or the authorization of payment of the costs thereof. No indemnification is made under this Section 7.03 or elsewhere in this Lease Agreement for willful misconduct or gross negligence under this Lease Agreement by the Authority, or its respective officers, agents, employees, successors or assigns. The indemnification hereunder shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease Agreement or the termination of the Term of this Lease Agreement for any reason. The City and the Authority each agree to promptly give notice to each other and the Authority of any claim or liability hereby indemnified against following learning thereof.

Section 7.04. Assignment by the Authority. The Authority may assign its rights, title and interests herein, but no such assignment will be effective as against the City unless and until the Authority has filed with the City at least five Business Days' prior written notice thereof and an executed copy of a letter addressed to the City and the Authority substantially in the form of the letter delivered by the Authority on the Closing Date attached hereto as Exhibit D. The City shall pay all Lease Payments hereunder to the Authority, as provided in Section 4.03(h) hereof, or under the written direction of the assignee named in the most recent assignment or notice of assignment filed with the City. During the Term of this Lease Agreement, the City will keep a complete and accurate record of all such notices of assignment.

Section 7.05. Assignment Agreement and Subleasing by the City. This Lease Agreement may not be assigned, mortgaged, pledged or transferred by the City. The City may sublease the Property, or any portion thereof, with the prior written consent of the Authority, at the Authority's sole discretion, subject to all of the following conditions:

(a) This Lease Agreement and the obligation of the City to make Lease Payments hereunder shall remain obligations of the City, and any sublease shall be subject and subordinate to this Lease Agreement.

(b) The City shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Authority a true and complete copy of such sublease.

(c) No such sublease by the City may cause the Property to be used for a purpose other than as may be authorized under the provisions of the laws of the State.

(d) Any such sublease shall be subject and subordinate in all respects to the Site and Facility Lease and this Lease Agreement.

Notwithstanding the foregoing, in connection with any sublease entered into for financing purposes, the principal component of the then remaining Lease Payments plus the principal component of the sublease payments shall not exceed the fair market value of the Property and the sublease shall not cause the fair market value of the Property to be less than the principal component of the then remaining Lease Payments plus the principal component of the sublease payments. The City shall be responsible for all costs related to such sublease, including the costs of the Assignee's legal counsel.

Section 7.06. Amendment of Lease Agreement. This Lease Agreement may be amended in writing by the parties hereto.

Section 7.07. Records and Accounts. The City covenants and agrees that it shall keep proper books of record and accounts of its operations, in which complete and correct entries shall be made of all transactions relating to the City. Said books and records shall at all reasonable times be subject to the inspection of the Authority upon 72 hours' prior notice.

Section 7.08. Observance of Laws and Regulations. The City will well and truly keep, observe and perform or cause to be kept, observed and performed all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired and enjoyed by the City, including the City's right to exist and carry on business as a municipal corporation, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 7.09. Notices. During the Term of this Lease Agreement, the City shall provide to the Authority:

(a) immediate notice by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes an Event of Default under this Lease Agreement, together with a detailed statement by a City representative of the steps being taken by the City to cure the effect of such Event of Default.

(b) prompt written notice of any Material Litigation, or any investigation, inquiry or similar proceeding by any Governmental Authority.

(c) with reasonable promptness, such other information respecting the City, and the operations, affairs and financial condition of the City as the Authority may from time to time reasonably request.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.01. Events of Default Defined. Any one or more of the following events constitutes an Event of Default hereunder:

(a) Failure by the City to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, including failure to provide financial information referenced in Section 7.08, other than as referred to in the preceding clause (a) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority. However, if in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such 30-day period, the Authority shall not unreasonably withhold their consent to an extension of such time (for a period not to exceed 30 days) if corrective action is

instituted by the City within such 30-day period and diligently pursued until the default is corrected.

(c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar federal or State act now existing or which may hereafter be enacted.

(d) Any statement, representation or warranty made by the City in or pursuant to this Lease Agreement or its execution, delivery or performance shall have been false, incorrect, misleading or breached in any material respect on the date when made.

(e) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which the City is an obligor.

(f) Any default by the City to observe any covenant, condition or agreement on its part to be observed or performed under the Site and Facility Lease.

(g) Any court of competent jurisdiction shall find or rule that the Site and Facility Lease or this Lease Agreement is not valid or binding against the City.

(h) Any Material Adverse Effect shall exist.

Section 8.02. Remedies on Default. Whenever any Event of Default has happened and is continuing the Default Rate shall apply and the Authority may exercise any and all remedies available under law or granted under this Lease Agreement; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant hereof to be kept and performed by the City is expressly made a condition and upon the breach thereof the Authority may exercise any and all rights granted hereunder; provided, that no termination of this Lease Agreement shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Authority may exercise any one or more of the following remedies:

(a) ***Enforcement of Payments Without Termination***. If the Authority does not elect to terminate this Lease Agreement in the manner hereinafter provided for in subparagraph (b) hereof, the City agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Authority for any deficiency arising out of the re-leasing of the Property, or, if the Authority is unable to re-lease the Property, then for the full amount of all Lease Payments to the end of the Term of this Lease Agreement, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the

purpose of effecting such re-entry or obtaining possession of the Property or the exercise of any other remedy by the Authority. The City hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the City to enter upon and re-lease the Property upon the occurrence and continuation of an Event of Default and to remove all personal property whatsoever situated upon the Property, to place such property in storage or other suitable place in San Bernardino County for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Property and the 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-lease 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-leasing shall constitute a surrender or termination of this Lease Agreement irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, 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 hereinafter provided for in subparagraph (b) hereof. The City agrees to surrender and quit possession of the Property upon demand of the Authority for the purpose of enabling the Property to be re-let under this paragraph. Any rental obtained by the Authority in excess of the sum of Lease Payments plus costs and expenses incurred by the Authority for its services in re-leasing the Property shall be paid to the City.

(b) ***Termination of Lease***. If an Event of Default occurs and is continuing hereunder, the Authority at its option may terminate this Lease Agreement and re-lease all or any portion of the Property, subject to the Site and Facility Lease. If the Authority terminates this Lease Agreement at its option and in the manner hereinafter provided due to a default by the City (and notwithstanding any re-entry upon the Property by the Authority in any manner whatsoever or the re-leasing of the Property), the City nevertheless agrees to pay to the Authority all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments and Additional Payments. Any surplus received by the Authority from such re-leasing shall be applied by the Authority to Lease Payments due under this Lease Agreement. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Authority 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 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 or accepted by the Authority by such written notice.

(c) ***Proceedings at Law or In Equity***. If an Event of Default occurs and continues hereunder, the Authority may take whatever action at law or in equity may appear

necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

(d) ***Remedies under the Site and Facility Lease***. If an Event of Default occurs and continues hereunder, the Authority may exercise its rights under the Site and Facility Lease.

Section 8.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article VIII it shall not be necessary to give any notice, other than such notice as may be required in this Article VIII or by law.

Section 8.04. Agreement to Pay Attorneys' Fees and Expenses. If either party to this Lease Agreement defaults under any of the provisions hereof and the nondefaulting party should employ attorneys (including in-house legal counsel) or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys (including allocable costs and expenses of in-house legal counsel, if any) and such other expenses so incurred by the nondefaulting party.

Section 8.05. No Additional Waiver Implied by One Waiver. If any agreement contained in this Lease Agreement is breached by either party and thereafter waived by the other party, such waiver is limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 8.06. Judicial Reference.

(a) Judicial Reference. The Authority and the City hereby agree: (i) each proceeding or hearing based upon or arising out of, directly or indirectly, this Lease Agreement, the Site and Facility Lease, the Property or any document related thereto, any dealings between the City and the Authority related to the subject matter of this Lease Agreement, the Site and Facility Lease or any related transactions, and/or the relationship that is being established between the City and the Authority (hereinafter, a "Claim") shall be determined by a consensual general judicial reference (the "Reference") pursuant to the provisions of Section 638 et seq. of the California Code of Civil Procedure, as such statutes may be amended or modified from time to time; (ii) upon a written request, or upon an appropriate motion by either the Authority or the City, as applicable, any pending action relating to any Claim and every Claim shall be heard by a single Referee (as defined below) who shall then try all issues (including any and all questions of law and questions of fact relating thereto), and issue findings of fact and conclusions of law and report a statement of decision. The Referee's statement of decision will constitute the conclusive

determination of the Claim. The Authority and the City agree that the Referee shall have the power to issue all legal and equitable relief appropriate under the circumstances before the Referee; (iii) the Authority and the City shall promptly and diligently cooperate with one another, as applicable, and the Referee, and shall perform such acts as may be necessary to obtain prompt and expeditious resolution of all Claims in accordance with the terms of this Section 8.7; (iv) either the Authority or the City, as applicable, may file the Referee's findings, conclusions and statement with the clerk or judge of any appropriate court, file a motion to confirm the Referee's report and have judgment entered thereon. If the report is deemed incomplete by such court, the Referee may be required to complete the report and resubmit it; (v) the Authority and the City, as applicable, will each have such rights to assert such objections as are set forth in Section 638 et seq. of the California Code of Civil Procedure; and (vi) all proceedings shall be closed to the public and confidential, and all records relating to the Reference shall be permanently sealed when the order thereon becomes final.

(b) Selection of Referee; Powers. The parties to the Reference proceeding shall select a single neutral referee (the "Referee"), who shall be a retired judge or justice of the courts of the State of California, or a federal court judge, in each case, with at least ten (10) years of judicial experience in civil matters. The Referee shall be appointed in accordance with Section 638 of the California Code of Civil Procedure (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts). If within ten (10) days after the request or motion for the Reference, the parties to the Reference proceeding cannot agree upon a Referee, then any party to such proceeding may request or move that the Referee be appointed by the Presiding Judge of the San Bernardino County Superior Court, or of the U.S. District Court for the Southern District of California. The Referee shall determine all issues relating to the applicability, interpretation, legality and enforceability of this Section 8.7.

(c) Provisional Remedies and Self Help. No provision of this Section 8.7 shall limit the right of either the Authority or the City, as the case may be, to (i) exercise such self-help remedies as might otherwise be available under applicable law, or (ii)) obtain or oppose provisional or ancillary remedies, including without limitation injunctive relief, writs of possession, the appointment of a receiver, and/or additional or supplementary remedies from a court of competent jurisdiction before, after, or during the pendency of any Reference. The exercise of, or opposition to, any such remedy does not waive the right of the Authority or the City to the Reference pursuant to this Section 8.7(c).

(d) Costs and Fees. Promptly following the selection of the Referee, the parties to such Reference proceeding shall each advance equal portions of the estimated fees and costs of the Referee. In the statement of decision issued by the Referee, the Referee shall award costs, including reasonable attorneys' fees, to the prevailing party, if any, and may order the Referee's fees to be paid or shared by the parties to such Reference proceeding in such manner as the Referee deems just.

ARTICLE IX

PREPAYMENT OF LEASE PAYMENTS

Section 9.01. Security Deposit. Notwithstanding any other provision of this Lease Agreement, the City may on any date secure the payment of the Lease Payments in whole or in part by depositing with the Authority or a fiduciary reasonably satisfactory to the Authority, in trust, an amount of cash, which shall be held in a segregated trust or escrow fund under a trust or escrow agreement that is in form and content acceptable to the Authority, which cash so held is either (a) sufficient to pay such Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment schedule set forth in Exhibit C, or (b) invested in whole in non-callable Federal Securities maturing not later than the dates such funds will be required to make Lease Payments or any prepayment in an amount which is sufficient, in the opinion of an independent certified public accountant (which opinion must be in form and substance, and with such an accountant, acceptable to the Authority and addressed and delivered to the Authority), together with interest to accrue thereon and without reinvestment and together with any cash which is so deposited, to pay such Lease Payments when due under Section 4.03(a) or when due on any optional prepayment date under Section 9.02, as the City instructs at the time of said deposit. In the event of a security deposit under this Section with respect to all unpaid Lease Payments, (i) the Term of this Lease Agreement shall continue, (ii) all obligations of the City under this Lease Agreement, and all security provided by this Lease Agreement for said obligations, shall thereupon cease and terminate, excepting only (A) the obligation of the City to make, or cause to be made, all of the Lease Payments from such security deposit and, to the extent of any deficiency, as rent payable from other legally available funds of the City, and (B) the release and indemnification obligations of the City under subparagraphs (f) and (g) of Section 7.03, and (iii) under Section 4.05, the Authority's leasehold interest in the Property will vest in the City on the date of said deposit automatically and without further action by the City or the Authority. The City hereby grants a first priority security interest in and the lien on said security deposit and all proceeds thereof in favor of the Authority. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Lease Payments in accordance with the provisions of this Lease Agreement and, notwithstanding anything to the contrary herein, Lease Payments therefrom shall not be subject to abatement under Section 6.03 hereof to the extent payable from the funds held by the Authority or the fiduciary as described in the first sentence of this Section 9.01.

Section 9.02. Optional Prepayment. The Lease Payments may be prepaid at the option of the City prior to maturity as a whole, or in part, in inverse order of maturity of Lease Payments, on any date from any source of funds, at a redemption price of the principal component of the Lease Payments to be prepaid together with accrued interest to the date of prepayment.

Section 9.03. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain. The City shall be obligated to prepay the unpaid principal components of the Lease Payments in whole or in part in such order of prepayment as shall be selected by the City on any date, together with any accrued and unpaid interest, from and to the extent of any proceeds of

insurance award or condemnation award with respect to the Property to be used for such purpose under Section 6.02 on any date.

ARTICLE X

MISCELLANEOUS

Section 10.01. Notices. Any notice, request, complaint, demand or other communication under this Lease Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Authority and the City may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the City:
City of Ontario
Attn: Scott Ochoa
City Manager
303 E. "B" Street
Ontario, CA 91762
Facsimile: (909) 395-2005
Telephone: (909) 395-2102
Email: sochoa@ontarioca.gov

With a copy to:
Best Best & Krieger LLP
Attn: Ruben Duran
2855 East Guasti Road, Suite 400
Ontario, CA 91761
Facsimile: (909) 989-5834
Telephone: (909) 989-8584
E-Mail: ruben.duran@bbklaw.com

If to the Authority:
Ontario Public Financing Authority
Attn: Scott Ochoa
Executive Director
303 E. "B" Street
Ontario, CA 91762
Facsimile: (909) 395 2005
Telephone: (909) 395 2102
Email: sochoa@ontarioca.gov

With a copy to: Best Best & Krieger LLP
Attn: Ruben Duran
2855 East Guasti Road, Suite 400
Ontario, CA 91761
Facsimile: (909) 989-5834
Telephone: (909) 989-8584
E-Mail: ruben.duran@bbklaw.com

If to the Assignee:

With a copy to:

Section 10.02. Binding Effect. This Lease Agreement inures to the benefit of and is binding upon the Authority, the City and their respective successors and assigns.

Section 10.03. Severability. If any provision of this Lease Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 10.04. Net-net-net Lease. This Lease Agreement is a "net-net-net lease" and the City hereby agrees that the Lease Payments are an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever.

Section 10.05. Further Assurances and Corrective Instruments. The Authority and the City 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 Lease Agreement.

Section 10.06. Execution in Counterparts. This Lease Agreement may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

Section 10.07. Applicable Law. This Lease Agreement is governed by and construed in accordance with the laws of the State.

Section 10.08. Captions. The captions or headings in this Lease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Lease Agreement.

Section 10.09. Third Party Beneficiary. The Assignee is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

[Signature page follows]

IN WITNESS WHEREOF, the Authority and the City have caused this Lease Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

ONTARIO PUBLIC FINANCING AUTHORITY

By _____
Scott Ochoa, Executive Director

Attest:

_____
Sheila Mautz, Secretary

CITY OF ONTARIO

By _____
Scott Ochoa, City Manager

Attest:

_____
Sheila Mautz, City Clerk

-Signature Page-
Lease Agreement

EXHIBIT A

DESCRIPTION OF THE SITE

EXHIBIT B

DESCRIPTION OF THE FACILITY

[Reserved]

EXHIBIT C

SCHEDULE OF LEASE PAYMENTS[1]

EXHIBIT D

MEMORANDUM OF LEASE AGREEMENT

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement (this "Memorandum of Lease Agreement"), is entered into as of _____, 2025, by and between the ONTARIO PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority, as lessor (the "Authority"), and the CITY OF ONTARIO, a general law city duly organized and existing under the laws of the State of California, as lessee (the "City"), who agree as follows:

Section 1. The Lease. The City leases from the Authority and the Authority leases to the City, certain real property described in paragraph 2 hereof, and the improvements situated upon said real property, upon the terms and conditions, and for the term, more fully set forth in the Lease Agreement, dated as of _____, 2025, by and between the Authority, as lessor, and the City, as lessee (the "Lease Agreement"), all of the provisions of which are hereby incorporated into this Memorandum of Lease Agreement by reference.

Section 2. Leased Premises; Term. The Authority leases, lets and demises unto the City and the City leases, hires and takes from the Authority, those certain parcels of real property situated in the City of Ontario, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the "Site"), and those certain improvements on the Site, more particularly described in Exhibit B attached hereto and made a part hereof (the "Facility"). The Lease Agreement is for a term commencing on _____, 2025 and ending on _____,2035, or such earlier or later date on which the Lease Payments (as defined in the Lease Agreement) are paid in full or provision has been made for such payment in accordance with the Lease Agreement.

Section 3. Provisions Binding on Successors and Assigns. Subject to the provisions of the Lease Agreement relating to assignment and subletting, the Lease Agreement shall inure to the benefit of and shall be binding upon the Authority and the City and their respective successors and assigns, including the Authority.

Section 4. Purpose of Memorandum. This Memorandum of Lease Agreement is prepared for the purpose of recordation, and it in no way modifies the provisions of the Lease Agreement.

Section 5. Execution. This Memorandum of Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority has caused this Memorandum of Lease Agreement to be executed in its corporate name by its duly authorized officers; and the City has caused this Memorandum of Lease Agreement to be executed in its name by its duly authorized officers, as of the date first above written.

ONTARIO PUBLIC FINANCING AUTHORITY

By _____
Scott Ochoa, Executive Director

Attest:

_____
_____, Secretary

CITY OF ONTARIO

By _____
Scott Ochoa, City Manager

Attest:

_____
_____, City Clerk

EXHIBIT E

CERTIFICATE OF ASSIGNEE

The undersigned representative of The Ronald And Kristine Pietersma Family Trust, dated February 15, 1992 (Restated)(the "Assignee"), hereby represents, warrants and certifies to the Ontario Public Financing Authority (the "Authority") (capitalized terms used herein not otherwise defined have the meanings ascribed to such terms in the Lease Agreement dated as of _____, (the "Lease Agreement") by and between the City of Ontario (the "City") and the Authority) that he is duly authorized to execute and deliver this Certificate on behalf of the Assignee and that:

1. The Assignee proposes to receive payments under the Lease Agreement representing $_____ in aggregate principal amount, and represented by a Promissory Note, dated _____ (the "Note").

2. The Assignee is receiving he Note as partial payment for the sale of real property and will hold the Note for its own account. The Assignee is obtaining the Note not in the capacity of an underwriter, nor with a view to the public distribution thereof.

3. The Assignee is aware that the operations of the City involve certain economic variables and risks that could adversely affect the security for the Lease Agreement and the Assignee is able and willing to bear such risks;

4. By execution and delivery of this Certificate, the Assignee understands and agrees that it may only resell or otherwise transfer the Note to an institution which is in the business of commercial lending or acquiring similar types of credit instruments (or specific estate planning purposes) as described in the Assignment Agreement (the "Assignment Agreement"), dated as of _____ by and between the Authority and the Assignee, and which delivers to the Authority an executed certificate substantially in the form of this certificate and otherwise complies in all respects with the provisions of the Assignment Agreement regarding such sale or transfer.

5. The Assignee has made an independent investigation and evaluation of the financial condition and prospects of, and the risks associated with, the Note and the City, or has caused such investigation and evaluation to be made by persons it deems competent to do so, and it has not relied upon the City or its employees or consultants for advice as to the merits and risks associated with the Note. The Assignee has not relied upon the City or Authority's legal counsel, financial advisor, placement agent(s), or other consultants to the City or Authority for any information, representations or opinions, as of the date rendered or provided therein, in connection with the City's obligations under the Note, the Lease Agreement, the Site and Facility Lease, the Assignment Agreement or the Lease Payments; The Assignee has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to the purchase of the Note.

6. The Assignee understands that the Lease Agreement has not been registered under the Securities Act of 1933, as amended, and that such registration is not legally required. Additionally, the Lease Agreement has not been registered under, and no qualification for sale has been made, under, the Blue Sky Laws of any State. The Assignee is not acting in the capacity of broker, dealer, municipal securities underwriter, financial advisor, or municipal advisor in connection with the Assignee's acquisition of the Note.

7. The Assignee understands that no official statement, offering memorandum or circular will be issued in connection with the Note, and that the Note and underlying obligations are not rated by any accredited rating agency.

8. The Assignee understands that neither the members, directors, officers or agents of the City and Authority, nor any person executing the Note, shall be subject to any personal liability by reason of or in connection with the execution and delivery of the Note.

9. Except as set forth in the Purchase and Sale Agreement, dated October 7, 2025 (the "Purchase Agreement"), between the City and Assignee, and upon Assignee's receipt of the Note, the Assignee represents that all conditions and representations to be made by the City and Authority to deliver the Note have been satisfied or waived, provided, however, such waiver and relief from liability shall not apply to (i) any untrue statement of a material fact or (ii) any omission of a material fact necessary to make a statement made therein not misleading in light of the circumstances under which it was made, in the Lease Agreement, Purchase Agreement or in any financial statements of the City and Authority provided to the Assignee, or in any of the other information provided to the Assignee by or on behalf of the City and Authority.

IN WITNESS WHEREOF, the Assignee has caused this Certificate of Assignee to be executed by its authorized representative as of the _____ day of _____.

The Ronald And Kristine Pietersma Family Trust,

dated February 15, 1992 (Restated)

By:_____

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Kim A. Byrens, Esq.
Best Best & Krieger LLP
3390 University Avenue, 5th Floor
Riverside, CA 92501

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

ASSIGNMENT AGREEMENT

by and between the

ONTARIO PUBLIC FINANCING AUTHORITY,

as Assignor

and

THE RONALD AND KRISTINE PIETERSMA FAMILY TRUST, DATED FEBRUARY 15, 1992 (RESTATED)

as Assignee

Dated as of _____

ASSIGNMENT AGREEMENT

This Assignment Agreement (as amended and supplemented hereafter, the "Assignment Agreement"), dated as of _____, by and between the ONTARIO PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California, as assignor (the "Authority"), THE RONALD AND KRISTINE PIETERSMA FAMILY TRUST, DATED FEBRUARY 15, 1992 (RESTATED), , as Assignee (the "Assignee");

W I T N E S S E T H:

WHEREAS, the Authority and the City of Ontario, a general law city organized and existing under and by virtue of the Constitution and laws of the State of California (the "City"), have executed and entered into a Lease Agreement (the "Lease Agreement"), dated as of _____, a Memorandum of Lease Agreement which is recorded concurrently herewith, whereby the parties have leased certain property described in Exhibit A, attached hereto and by this reference herein incorporated (the "Leased Property").

WHEREAS, under and pursuant to the Lease Agreement, and during the five (5) year term of the Lease Agreement ("Term"), the City is obligated to make the monthly scheduled lease payments (the "Lease Payments") to the Authority;

WHEREAS, the Authority desires to absolutely, unconditionally and irrevocably assign to the Assignee all its rights to receive the Lease Payments to be paid by the City under and pursuant to the Lease Agreement and certain other rights thereunder and under the Lease Agreement;

WHEREAS, the Authority hereby certifies that 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 of and entering into the 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. (a) The Authority, for $_____ and for other good and valuable consideration in hand received, does hereby absolutely, unconditionally and irrevocably sell, assign and transfer to the Assignee each and all of its rights under the Lease Agreement (but not including the right of the Authority to receive payment of its fees, expenses and reimbursements), including its right to receive the Lease Payments from the City under the Lease Agreement and its right to exercise such rights and remedies conferred on the Authority under the Lease Agreement as may be necessary to enforce payment of the Lease Payments when due or otherwise to protect its interests in the event of a default by the City, and all rights of entry in and upon the Leased Property, as defined in the Lease Agreement, as provided in the Lease Agreement (collectively, the "Assigned Property"). This assignment is absolute, unconditional and

irrevocable and is presently effective, and all Lease Payments shall be applied and the rights so assigned shall be exercised by the Assignee as provided therein.

(b) The rights of the Authority shall be evidenced by a promissory note (the "Note") which is attached hereto as Exhibit B, and herein incorporated. The Note shall be signed in the name and on behalf of the Authority with the manual signature of and authorized officer and attested with the manual signature of its Secretary or any assistant duly appointed by the Board. The Note shall be payable as described therein.

The Note may be transferred without limitation to any affiliate of the Assignee or to a trust or custodial arrangement established by the Assignee as consented to in writing by the Authority, which consent shall not be unreasonably withheld. Additionally, the Assignee may transfer the Notes to purchasers which are "qualified institutional buyers" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended. Such Note may be transferred to another purchaser if (i) written notice of such transfer, together with addresses and related information with respect to such purchaser, is delivered to the Authority by such transferor and (ii) such purchaser shall have delivered to the Authority, and the transferor an Investor Letter in the form attached hereto as Exhibit C executed by a duly authorized officer of such purchaser; provided that each such purchaser shall constitute (1) a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, and (2) a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a combined capital and surplus, determined as of the date of any transfer pursuant to this Section, of not less than $5,000,000,000. Notwithstanding the foregoing, and without the consent of the Authority, by providing the Authority ten (10) business days prior written notice, the Assignee may transfer the Note to (i) any of the members of the Assignee, (ii) any revocable or irrevocable trust created for estate purposes, the beneficiaries of which are the descendants of any of the Assignee's members, or (iii) the heirs of any member who was previously assigned an interest in the Note, upon such member's death.

SECTION 2. Acceptance. The Assignee hereby accepts the foregoing assignment of the Assigned Property. Payments of Lease Payments shall be made by the City directly to the Assignee at the address set forth below:

Bank Name:
ABA/Routing #:
Bank Address:

Beneficiary Name: Account #:

SECTION 3. Absolute Assignment. The above assignment is intended to be an absolute, unconditional and irrevocable assignment to the Assignee and is not intended as a loan by the Assignee to the Authority. Accordingly, in the event of bankruptcy of the Authority, the Assigned Property shall not be part of the Authority's estate. However, if the above assignment is deemed

to be a loan by the Assignee to the Authority, then the Authority shall be deemed to have granted to the Assignee, and hereby grants to the Assignee, a continuing first priority security interest in the Assigned Property and the Lease Agreement and all proceeds thereof as collateral security for all obligations of the Authority hereunder and all obligations of the City under the Lease Agreement and this Assignment Agreement shall be deemed a security agreement with respect to such loan.

SECTION 4. Representations of the Authority. The Authority represents and warrants to the Assignee that:

(A) Enforceability of Assignment Agreement. The Authority has the power, and legal right to execute, deliver and perform this Assignment Agreement and this Assignment Agreement is a valid, binding, and enforceable obligation of the Authority, except as such enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the application of equitable principles; and

(B) Marketable Title. Good and marketable title to the Assigned Property has been duly vested in the Assignee free and clear of any liens, security interests, encumbrances or other claims other than the rights of the City under the Lease Agreement, and the Authority has not assigned or transferred any of the Assigned Property or any interest in the Assigned Property to any party other than the Assignee.

SECTION 5. Covenants.

(A) Non-impairment of Lease Agreement. The Authority agrees that it (1) without the prior written consent of Assignee in its sole and absolute discretion, Authority shall not have any right to amend, modify, compromise, release, terminate or modify the terms of the Lease Agreement, including, but not limited to any adjustment of the Lease Payments and the Term, and (2) shall not take any action that may impair the payment of Lease Payments or the validity or enforceability of the Lease Agreement, including, but not limited to the termination of the Lease prior to the Note being paid to Assignee in full.

(B) Lease Payments. If the Authority receives any Lease Payments, then the Authority shall receive such payments in trust for the Assignee and shall immediately deliver the same to the Assignee in the form received, duly endorsed by the Authority for deposit by the Assignee.

(C) Further Assurances. The Authority shall execute and deliver to the Assignee such documents, in form and substance reasonably satisfactory to the Assignee, and the Authority shall take such other actions, as the Assignee may reasonably request from time to time to evidence, perfect, maintain, and enforce the Assignee's rights in the Assigned Property and/or to enforce or exercise the Assignee's rights or remedies under the Lease Agreement.

SECTION 6. Representations of Assignee. The Assignee represents that it is acquiring the interest in the Lease Agreement for its own loan account. The Assignee will deliver to the City a certificate in the form presented in Exhibit C attached hereto upon the delivery of the Lease

Agreement and the Assignment Agreement. In the event that the Assignee conveys or assigns its interest hereunder, it shall cause the subsequent assignee to deliver said certificate to the City.

SECTION 7. California Law; Attorneys' Fees. The Assignment Agreement shall be governed by and construed and interpreted in accordance with the law of the State of California. If any action of whatsoever kind is taken by any party hereto to interpret or enforce any provision hereof (whether or not litigation is commenced), the non-prevailing party agrees to reimburse the prevailing party for all costs and expenses (including reasonable attorneys' fees) incurred in taking such action. Any judgment or order entered in any legal proceeding between the parties shall contain a specific provision providing for the recovery of attorneys' fees and costs, separate from the judgment, incurred in enforcing such judgment.

SECTION 8. Severability. If any agreement, condition, covenant or term thereof or any application hereof shall be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all agreements, conditions, covenants and terms hereof and all applications thereof not held invalid, void or enforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 9. Execution in Counterparts. The Assignment Agreement may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

(Signature page follows)

IN WITNESS WHEREOF the parties hereto have executed and entered into the Assignment Agreement by their officers thereunto duly authorized as of the day and year first above written.

ONTARIO PUBLIC FINANCING AUTHORITY

By: _____
Scott Ochoa, Executive Director

Attest:

_____
Sheila Mautz, Secretary

THE RONALD AND KRISTINE PIETERSMA FAMILY TRUST, DATED FEBRUARY 15, 1992 (RESTATED)

By:_____

-Signature Page-
Assignment Agreement

Exhibit A to Assignment Agreement

Property Legal Description

Exhibit B to Assignment Agreement

Promissory Note

EXHIBIT C TO ASSIGNMENT AGREEMENT

Certificate of Assignee

The undersigned representative of THE RONALD AND KRISTINE PIETERSMA FAMILY TRUST, DATED FEBRUARY 15, 1992 (RESTATED) (the "Assignee"), hereby represents, warrants and certifies to the Ontario Public Financing Authority (the "Authority") (capitalized terms used herein not otherwise defined have the meanings ascribed to such terms in the Lease Agreement dated as of _____, (the "Lease Agreement") by and between the City of Ontario (the "City") and the Authority) that he is duly authorized to execute and deliver this Certificate on behalf of the Assignee and that:

1. The Assignee proposes to receive payments under the Lease Agreement representing $_____ in aggregate principal amount, and represented by a Promissory Note, dated _____ (the "Note").

2. The Assignee is receiving he Note as partial payment for the sale of real property and will hold the Note for its own account. The Assignee is obtaining the Note not in the capacity of an underwriter, nor with a view to the public distribution thereof.

3. The Assignee is aware that the operations of the City involve certain economic variables and risks that could adversely affect the security for the Lease Agreement and the Assignee is able and willing to bear such risks;

4. By execution and delivery of this Certificate, the Assignee understands and agrees that it may only resell or otherwise transfer the Note to an institution which is in the business of commercial lending or acquiring similar types of credit instruments (or specific estate planning purposes) as described in the Assignment Agreement (the "Assignment Agreement"), dated as of _____ by and between the Authority and the Assignee, and which delivers to the Authority an executed certificate substantially in the form of this certificate and otherwise complies in all respects with the provisions of the Assignment Agreement regarding such sale or transfer.

5. The Assignee has made an independent investigation and evaluation of the financial condition and prospects of, and the risks associated with, the Note and the City, or has caused such investigation and evaluation to be made by persons it deems competent to do so, and it has not relied upon the City or its employees or consultants for advice as to the merits and risks associated with the Note. The Assignee has not relied upon the City or Authority's legal counsel, financial advisor, placement agent(s), or other consultants to the City or Authority for any information, representations or opinions, as of the date rendered or provided therein, in connection with the City's obligations under the Note, the Lease Agreement, the Site and Facility Lease, the Assignment Agreement or the Lease Payments; The Assignee has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to the purchase of the Note.

6. The Assignee understands that the Lease Agreement has not been registered under the Securities Act of 1933, as amended, and that such registration is not legally required. Additionally, the Lease Agreement has not been registered under, and no qualification for sale has

been made, under, the Blue Sky Laws of any State. The Assignee is not acting in the capacity of broker, dealer, municipal securities underwriter, financial advisor, or municipal advisor in connection with the Assignee's acquisition of the Note.

7. The Assignee understands that no official statement, offering memorandum or circular will be issued in connection with the Note, and that the Note and underlying obligations are not rated by any accredited rating agency.

8. The Assignee understands that neither the members, directors, officers or agents of the City and Authority, nor any person executing the Note, shall be subject to any personal liability by reason of or in connection with the execution and delivery of the Note.

9. Except as set forth in the Lease Agreement and Purchase and Sale Agreement and Joint Escrow Instructions, dated _____ (the "Purchase Agreement"), between the City and Assignee, and upon Assignee's receipt of the Note, the Assignee represents that all conditions and representations to be made by the City and Authority to deliver the Note have been satisfied or waived, provided, however, such waiver and relief from liability shall not apply to (i) any untrue statement of a material fact or (ii) any omission of a material fact necessary to make a statement made therein not misleading in light of the circumstances under which it was made, in the Lease Agreement, Purchase Agreement or in any financial statements of the City and Authority provided to the Assignee, or in any of the other information provided to the Assignee by or on behalf of the City and Authority.

IN WITNESS WHERE, the Assignee has caused this Certificate of Assignee to be executed by its authorized representative as of the _____ day of _____.

THE RONALD AND KRISTINE PIETERSMA FAMILY TRUST, DATED FEBRUARY 15, 1992 (RESTATED)

By:_____

THE TRANSFERABILITY OF THE NOTE IS RESTRICTED

PROMISSORY NOTE
ONTARIO PUBLIC FINANCING AUTHORITY

$_____ _____
Ontario, California

For value received, **CITY OF ONTARIO PUBLIC FINANCING AUTHORITY,** a joint powers public financing authority (**"Maker"**), pursuant to the provisions of this Promissory Note (**"Note"**), promises to pay to the **Assignee,** as defined in the Assignment Agreement (the "**Assignment Agreement**"), of even date herewith, that being THE RONALD AND KRISTINE PIETERSMA FAMILY TRUST, DATED FEBRUARY 15, 1992 (RESTATED) (**"Holder"**), or order, at _____, or such other place as the Holder of this Note may from time to time determine, the amount of [_____.00/100 Dollars] ("**Principal**"), in accordance with the terms of this Note. This Note is secured by an assignment to Holder of the Maker's right to receive the lease payments due under that certain Lease Agreement (**"Lease Agreement"**), dated of even date herewith, made between Maker and the City of Ontario, a California municipal corporation ("**City**"), and evidences the assignment of the lease payments as described in the Assignment Agreement.

1. Terms and Conditions of Payment.

a. Interest. The principal balance of this Note, outstanding from time to time, shall bear at the rate of ___ percent (__%) per annum ("**Interest**"), commencing on _____. Interest shall be computed on the basis of a year consisting of 360 days and twelve 30-day months, with unpaid Interest (if any) also accruing Interest (compounded monthly). The unpaid balance of Principal, together with all Interest accrued thereon, is hereinafter referred to as the "**Outstanding Balance**".

b. Usury. Notwithstanding any other provision contained herein, in no event shall Interest payable hereunder exceed the maximum rate permitted under applicable law. If Maker makes payments of Interest, fees or other charges, however denominated, which are determined to result in an interest rate that exceeds the maximum rate of interest payable under applicable law, then any such excess is hereby waived by Holder and shall automatically and from the date of payment be applied in reduction of Principal, or, if such excess is greater than the unpaid Principal, the difference shall be paid by Holder to Maker.

c. Payments.

i. Monthly Note Payments. Commencing on _____, and continuing until the Maturity Date (as defined below), monthly note payments due on the __ day of each month in the amounts set forth on the attached Schedule 1 incorporated herein shall be due by Maker under this Note (each, a **"Note Payment"**). All payments made under this Note shall be payable in lawful money of the United States of America. All payments received by Holder shall be applied first to any charges and expenses of enforcement and collection, then to accrued but unpaid Interest and then to Principal.

ii. Balance on Maturity Date. The final Note Payment under this Note shall be due and payable on the date that is _____ (the **"Maturity Date"**).

iii. If at any time any payment made against this Note (whether payment is made by Maker or any other person) is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of Maker or such other person who made the payment, or otherwise, or if any other written order to pay any amount to Holder is dishonored or returned as unpaid by the bank against whom it is drawn, Maker's obligation to make such payment shall be reinstated as though such payment had not been made.

2. Prepayment. Maker shall have the right to prepay this Note on any date by well and truly paying the Principal amount owing hereunder with interest accrued to the date of prepayment, without penalty or premium.

3. Security. This Note is secured by an assignment to Holder of the right by Maker to receive all the lease payments due under the Lease Agreement.

4. Further Encumbrances or Sales. The Authority will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, other than as contemplated in the Lease Agreement and except for such encumbrances as the Authority certifies in writing to Holder do not materially and adversely affect the leasehold estate in the Property under the Lease Agreement and for which Holder provides its prior written approval, which approval shall be at Holder's sole discretion. Except as expressly provided in the Lease Agreement, the Authority will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The Authority will reimburse Holder for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

5. Nonrecourse. Holder agrees that it will look solely to the Lease Agreement as collateral hereunder to secure the repayment of the indebtedness evidenced hereby. No other property or assets of Maker, or any agency, city, partner, member, or principal of Maker, shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies of Holder, or for any payment required to be made under this Note or any other documents related to this Note. This Note does not constitute a general pledge of the faith and credit of the Maker. Neither the credit nor the taxing power of the Agency is pledged to the payment of the monthly payments on this Note and no Holder will have any right to demand payment by the Maker out of any funds or revenue other than funds provided to Maker from the City.

6. Default. Upon the occurrence of an Event of Default, and in addition to any other available remedies under this Note, Interest shall then accrue at the rate of ten percent (10.00%) per annum ("**Default Rate**") on the Outstanding Balance until such Event of Default has been cured by the Authority, and Holder may elect to pursue the remedies set forth in Section 7 below. Each of the following shall constitute an event of default hereunder ("**Event of Default**"):

(a) Failure by the City to pay any Lease Payment or other payment required to be paid under the Lease Agreement, and Maker to remit such payment to Holder at the times specified therein and herein.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed under the Lease Agreement, including failure to provide financial information referenced in Section 7.08 thereof for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority. However, if in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such 30-day period, the Authority on behalf of the Holder shall not unreasonably withhold their consent to an extension of such time (for a period not to exceed 30 days) if corrective action is instituted by the City within such 30-day period and diligently pursued until the default is corrected.

(c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar federal or State act now existing or which may hereafter be enacted.

(d) Any statement, representation or warranty made by the City in or pursuant to the Lease Agreement or its execution, delivery or performance shall have been false, incorrect, misleading or breached in any material respect on the date when made.

(e) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which the City is an obligor.

(f) Any default by the City to observe any covenant, condition or agreement on its part to be observed or performed under the Site and Facility Lease, as defined in the Lease Agreement.

(g) Any court of competent jurisdiction shall find or rule that the Site and Facility Lease or the Lease Agreement is not valid or binding against the City, and/or the Site and Facility Lease and/or the Lease Agreement is terminated for any reason whatsoever.

(h) Any Material Adverse Effect shall exist.

(i) Any default has occurred under the Assignment Agreement.

7. Remedies. Upon the occurrence of an Event of Default and at any time thereafter and during the continuance of such Event of Default, Holder may at its option exercise any or all of its rights, powers, or remedies under this Note, the Assignment Agreement, and the Lease Agreement.

8. Miscellaneous.

a. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered: (a) upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received); (b) upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section); (c) upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or (d) one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

If to Maker: Ontario Public Financing Authority
Attn: Scott Ochoa
Executive Director
303 E. "B" Street
Ontario, CA 91762
Facsimile: (909) 395 2005
Telephone: (909) 395 2102
Email: sochoa@ontarioca.gov

Each party shall make an ordinary, good faith effort to ensure that it will accept or receive notices that are given in accordance with this Section, and that any person to be given notice actually receives such notice. Any notice to a party which is required to be given to multiple addresses shall only be deemed to have been delivered when all of the notices to that party have been delivered pursuant to this Section. If any notice is refused, the notice shall be deemed to have been delivered upon such refusal. Any notice delivered after 5:00 p.m. (recipient's time) or on a non-business day shall be deemed delivered on the next business day. Notices delivered by electronic mail shall not be deemed properly delivered, even if the electronic mail addresses of the parties appear above or otherwise provided for convenience. A party may change or supplement the addresses given above, or designate additional addressees, for purposes of this Section by delivering to the other party written notice in the manner set forth above.

b. Governing Law; Attorneys' Fees. The terms of this Note were negotiated in the State of California and it is understood and agreed that the legality, enforcement and construction of this Note shall be governed by California law applicable to agreements made in California. If an Event of Default has occurred and is continuing, Maker hereby agrees to pay all costs and expenses, including reasonable attorneys' fees, incurred by Holder and arising out of or relating to the collection of any amounts due hereunder or in the enforcement of any rights provided for herein, whether or not suit is filed.

c. Successor Interests/Transfer or Sale of Note. The terms of this Note shall be binding upon Maker its heirs, personal representatives, successors and assigns, and shall inure to the benefit of Holder and its heirs, personal representatives, successors and assigns. Neither this Note nor any fractional interest in this Note may be sold or transferred except as set forth in the Assignment Agreement.

d. Severability. If a court of competent jurisdiction or arbitration tribunal finds any provision in this Note to be invalid, such invalidity shall not affect the remainder of the Note. In such event, the invalid provision shall be deemed severed therefrom and the remainder of the Note shall remain enforceable in accordance with its terms and of full force and effect.

e. Weekends and Holidays. Whenever any payment to be made under this Note is due on a Saturday, Sunday, or public holiday, such payment may be made on the next succeeding business day, and such extension of time shall be included in computing interest in connection with such payment.

(Signature page follows)

IN WITNESS WHEREOF, Maker, on the day and year first above written, has caused this Note to be duly executed.

MAKER:

ONTARIO PUBLIC FINANCING AUTHORITY

By _____
Scott Ochoa, Executive Director

-Signature Page-
Promissory Note

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Best Best & Krieger LLP
Attention: Kim Byrens, Esq.
3390 University Avenue, 5th Floor
Riverside, CA 92501

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

SITE AND FACILITY LEASE

by and between

CITY OF ONTARIO
as Lessor

and

ONTARIO PUBLIC FINANCING AUTHORITY,
as Lessee

Dated as of _____

SITE AND FACILITY LEASE

THIS SITE AND FACILITY LEASE (this "Site and Facility Lease"), dated as of _____, 202_, is by and between the **CITY OF ONTARIO**, a general law city, duly organized and existing under and by virtue of the laws of the State of California (the "City"), as lessor, and the **ONTARIO PUBLIC FINANCING AUTHORITY**, a joint exercise of powers authority, duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), as lessee;

W I T N E S S E T H :

WHEREAS, the City wishes to acquire certain real property from The Ronald And Kristine Pietersma Family Trust, dated February 15, 1992 (Restated), ("Pietersma") consisting of approximately 10.41 net acres described herein as Exhibit A, situated in the City of Ontario, San Bernardino County, State of California ("Property"), pursuant to a Purchase and Sale Agreement dated October 7, 2025 (the "Site PSA"), between the City and Pietersma, with a portion of the purchase price therefor (in the amount of $25,475,000) to be repaid through the payment of Lease Payments (as hereinafter defined); and

WHEREAS, the City intends to use the Property for its municipal purposes; and

WHEREAS, the City and the Authority desire to finance the acquisition of the Property; and

WHEREAS, to finance the cost to acquire the Property, pursuant to this certain Site and Facility Lease, the City will lease the Property, more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the "Site"), and the improvements thereon to the Authority; and

WHEREAS, the Authority proposes to lease the Property back to the City pursuant to a Lease Agreement dated as of _____ (the "Lease Agreement"); and

WHEREAS, the Site PSA requires the City to cause the portion of the purchase price of the Site that was not paid at the closing, in the amount of $25,475,000, to be paid through a lease-leaseback financing structure pursuant to which (i) the City and Authority enter into this Site and Facility Lease, (ii) the City and Authority would enter into the Lease Agreement (as defined below) pursuant to which the Property would be leased back to the City and the City agree to make lease payments to the Authority in [a principal amount] amount totaling $25,475,000 and (iii) the Authority would enter into an Assignment Agreement with Pietersma that, among other things, assigns the City's lease payments to The Ronald And Kristine Pietersma Family Trust, dated February 15, 1992 (Restated) (the "Assignment Agreement"); and

WHEREAS, the Site PSA, this Site and Facility Lease, the Lease Agreement and the Assignment Agreement make up an integrated transaction to enable the City to finance the acquisition of the Site; and

WHEREAS, in consideration of the right of possession of, and the continued quiet use and enjoyment of, the Property during each Rental Period under the Lease, the City agrees to make certain Lease Payments; and

WHEREAS, the City and the Authority agree to mutually cooperate now and hereafter, to the extent possible, in order to sustain the intent of the Lease Agreement and this Site and Facility Lease and the bargain of both parties hereto; and

WHEREAS, the City possesses statutory authority to lease the Property and its governing body has duly authorized the execution and delivery of the Lease Agreement and this Site and Facility Lease; and

NOW THEREFORE, for and in consideration of the premises and covenants and conditions hereinafter contained, the parties agree as follows:

Section 1. Definitions. Capitalized terms used, but not otherwise defined, in this Site and Facility Lease shall have the meanings ascribed to them in the Lease Agreement.

Section 2. Site and Facility Lease. The City hereby leases to the Authority and the Authority hereby leases from the City, on the terms and conditions hereinafter set forth, the Property.

Section 3. Term. The term of this Site and Facility Lease shall commence on _____,, and shall end on _____, unless such term is extended or sooner terminated as hereinafter provided. If, on _____, the aggregate amount of Lease Payments (as defined in and as payable under the Lease Agreement) shall not have been paid by reason of abatement, default or otherwise, or provision shall not have been made for their payment in accordance with the Lease Agreement, then the term of this Site and Facility Lease shall be extended until such Lease Payments shall be fully paid or provision made for such payment, but in no event later than _____. If, prior to _____, all Lease Payments shall be fully paid or provision made for such payment in accordance with the Lease Agreement, the term of this Site and Facility Lease shall end.

Section 4. 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.

Section 5. Purpose. The Authority shall use the Property solely for the purpose of leasing the Property to the City pursuant to the Lease Agreement and for such purposes as may be incidental thereto; provided, however, that in the event of default by the City under the Lease Agreement, the Authority and its assigns may exercise the remedies provided in the Lease Agreement.

Section 6. City's Interest in the Property. The City covenants that it is the owner in fee of the Property.

Section 7. Assignments and Subleases. Unless the City shall be in default under the Lease Agreement, the Authority may not assign its rights under this Site and Facility Lease or sublet the Property, except as provided in the Lease Agreement. If the City is in default under the

Lease Agreement, the Authority (including its successors and assigns under the Lease Agreement) may fully and freely assign and sublease the Property or any portion thereof, this Site and Facility Lease and the Lease Agreement. 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 Site and Facility Lease.

Section 8. 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 or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. Termination. The Authority agrees, upon the termination of this Site and Facility Lease, to quit and surrender the Property in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Site at the time of the termination of this Site and Facility Lease shall remain thereon and title thereto shall vest in the City.

Section 10. Default. In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms of this Site and Facility Lease, which default continues for 30 days following notice and demand for correction thereof to the Authority, the City may exercise any and all remedies granted by law, except that no merger of this Site and Facility Lease and of the Lease Agreement shall be deemed to occur as a result thereof and the City shall have no right to terminate this Site and Facility Lease as a remedy for such default. Notwithstanding the foregoing, subject to the provisions of Sections 6.01 and 6.03 and the provisions of Article IX of the Lease Agreement, so long as the Lease Agreement remains in effect, the City will continue to pay the Lease Payments to the Assignee.

In the event of the occurrence of an Event of Default under the Lease Agreement, the Authority or the Assignee may (a) exercise the remedies provided in the Lease Agreement, (b) use the Property for any lawful purpose, subject to any applicable legal limitations or restrictions, and (c) exercise all options provided herein.

Section 11. Quiet Enjoyment. The Authority, at all times during the term of this Site and Facility Lease, shall peaceably and quietly have, hold and enjoy all of the Property subject to the provisions of the Lease Agreement. 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.

Section 12. Waiver of Personal Liability. All liabilities under this Site and Facility Lease on the part of the Authority are solely liabilities of the Authority and the City hereby releases each and every director, officer, employee and agent of the Authority of and from any personal or individual liability under this Site and Facility Lease. No director, officer, employee or agent of the Authority shall at any time or under any circumstances be individually or personally liable

under this Site and Facility Lease for anything done or omitted to be done by the Authority hereunder.

Section 13. Taxes. All assessments of any kind or character and all taxes, including possessory interest taxes, levied or assessed upon the Property or the Authority's interest in the Property created by this Site and Facility Lease (including both land and improvements) will be paid by the City in accordance with the Lease Agreement.

Section 14. Eminent Domain. In the event the whole or any part of the Property is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid principal component of the Lease Payments, any then unpaid interest component of the Lease Payments and any premium due with respect to the prepayment of Lease Payments to the date such amounts are remitted to the Authority or its assignee, and, subject to the provisions of the Lease Agreement, the balance of the award, if any, shall be paid to the City. The City hereby waives, to the extent permitted by law, any and all rights that it has or may hereafter have to acquire the interest of the Authority in and to the Property through the eminent domain powers of the City. However, the City hereby agrees, to the extent permitted by law, that the compensation to be paid in any condemnation proceedings brought by or on behalf of the City with respect to the Property shall be in an amount not less than the total unpaid principal component of Lease Payments, the interest component of Lease Payments accrued to the date of payment of all Lease Payments and any premium due with respect to the prepayment of Lease Payments under the Lease Agreement.

Section 15. Use of the Property. The City and the Authority hereby agree that the lease to the Authority of the City's right and interest in the Property pursuant to Section 2 serves the public purposes of the City as an element of the integrated transaction described in the Recitals hereto.

Section 16. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site and Facility Lease shall, to any extent, be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding, order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site and Facility Lease shall be affected thereby, and each provision of this Site and Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested, postage prepaid, at the addresses set forth in the Lease Agreement, or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 18. Binding Effect. This Site and Facility Lease shall inure to the benefit of and shall be binding upon the City and the Authority and their respective successors and assigns. The Assignee is hereby made a third-party beneficiary hereunder with all rights of a third party beneficiary.

Section 19. Amendment. This Site and Facility Lease may not be amended except as permitted under the Lease Agreement.

Section 20. 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 Site and Facility Lease.

Section 21. Applicable Law. This Site and Facility Lease shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in California.

Section 22. No Merger. Neither this Site and Facility Lease, the Lease Agreement nor any provisions hereof or thereof shall be construed to effect a merger of the title of the City to the Property under this Site and Facility Lease and the City's leasehold interest therein under the Lease Agreement.

Section 23. Execution in Counterparts. This Site and Facility Lease 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 instrument.

(Signature page follows)

IN WITNESS WHEREOF, the City and the Authority have caused this Site and Facility Lease 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:

_____
_____, Secretary

CITY OF ONTARIO

By _____
Scott Ochoa, City Manager

Attest:

_____
_____, City Clerk

-Signature Page-
Site and Facility Lease

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 _____)

On _____, before me, _____, a Notary Public, personally appeared _____, 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 California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

LEGAL DESCRIPTION OF THE SITE

CITY OF ONTARIO *Agenda Report* **November 18, 2025**	**SECTION:** **ADMINISTRATIVE REPORTS/DISCUSSION/ACTION**
Department: Records Management Prepared By: . . Staff Member Presenting: Claudia Y. Isbell, Assistant City Clerk Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 23

SUBJECT: **QUALIFICATION OF TWO INITIATIVE MEASURE PETITIONS PROPOSING TO REQUIRE VOTER-APPROVED DEVELOPMENT AGREEMENTS FOR MAJOR HOTEL AND EVENT CENTER PROJECTS AND ESTABLISHING HOTEL/HOSPITALITY WORKER PROTECTION AND MINIMUM WAGE REQUIREMENTS**

RECOMMENDATION: That the City Council receive, file, and accept the certificate(s) of sufficiency of initiative petition signatures as valid in all respects; and order an impact report from Staff for both initiative measures.

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

FISCAL IMPACT: Staff will research and bring back an impact report to include the fiscal impact of a special election.

BACKGROUND & ANALYSIS:

On March 28th the City Clerk's office received a notice of intent to circulate an initiative petition from proponents seeking to qualify an ordinance/measure to enact hotel/hospitality worker protection requirements and minimum wages. On April 7th, the City Clerk's Office received a second notice of intent to circulate an initiative petition from proponents seeking to qualify a second ordinance/measure to require voter-approved development agreements for major hotel and event center projects.

In accordance with California Elections Code Section 9203, the City Attorney prepared an Impartial Ballot Title and Summary for each initiative measure and, on April 11, 2025 and on April 18, 2025, respectively, the City Clerk submitted the Ballot Title and Summary to the initiative proponents. By letter, the City Clerk notified the proponents that the deadlines to file signed petitions with the City Clerk's Office were October 8, 2025 for the hotel/hospitality worker measure, and October 16, 2025 for the development agreement measure.

Pursuant to California Elections Code section 9215, each initiative petition must be signed by not

less than ten percent (10%) of the registered voters of the City to qualify. According to the California Secretary of State's most recent report of voter registration as of the date the Proponents published their Notices of Intention (the Feb. 10, 2025 SOS report), Ontario had 95,770 registered voters within its limits. Therefore, each petition is required to contain the verified signatures of at least 9,577 Ontario registered voters in order to qualify an initiative for the ballot.

On October 8, 2025 and October 16, 2025, the initiative proponents timely filed both signed petitions with the City Clerk's Office. As is standard practice, the City Clerk's Office referred the petitions to the San Bernardino County Registrar of Voters for official signature verification against official County voter records. The verification of signatures is complete and based upon that review, both petitions have been determined to have sufficient Ontario registered voter signatures to qualify. Certificates to that effect are attached to this report.

Pursuant to Elections Code sections 9215, now that both initiatives have qualified for the ballot, the City Council's options are as follows: Submit the Measure to the voters at the City's next General Municipal Election at a special election called for that purpose, adopt the measure, or order Staff to prepare a report on the Measure's fiscal impact, effect on the General Plan, land use and housing, impact on infrastructure funding, and other related impacts on the City's facilities and services. If ordered, the report must be presented to the Council no later than 30 days after the City Clerk's certifying the petition as sufficient (which occurred this evening).

Because both measures are new to the City and have potentially significant impacts, Staff recommends the City Council receive, file and accept the two certificates of petition sufficiency and direct Staff to bring back an impact report to better study these two measures. While the law allows up to 30 days to present the report to the Council, Staff would being the report back 28 days later for the Council's regular meeting of December 16, 2025.

777 East Rialto Avenue, San Bernardino, CA 92415 | Phone: 909.387.8300 Fax: 909.387.2022
www.SBCounty.gov

SAN BERNARDINO COUNTY

Registrar of Voters

Joani Finwall
Registrar of Voters

October 29, 2025

Claudia Y. Isbell, Assistant City Clerk/Records Management Director
City of Ontario
303 East "B" Street
Ontario, California 91764

RE: An Initiative Measure Proposing to Enact Hotel, Event Center and Airport Hospitality Worker Protections and Minimum Wage Regulations

Dear Claudia Isbell,

As per your request dated October 20, 2025, the Registrar of Voters office has examined the petition for the City of Ontario entitled "An Initiative Measure Proposing to Enact Hotel, Event Center and Airport Hospitality Worker Protections and Minimum Wage Regulations". As a result of our examination, we report the following:

1. Number of unverified signatures filed (raw count): 16,119
2. Number of signatures verified: 500
   a. Number of signatures found SUFFICIENT: 391
   b. Number of signatures found NOT SUFFICIENT: 109
3. NOT SUFFICIENT because DUPLICATE: 1

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this twenty-ninth day of October 2025.

Joani Finwall
Registrar of Voters

BOARD OF SUPERVISORS
Col. Paul Cook (Ret.) First District | Jesse Armendarez Second District | Dawn Rowe Chairman, Third District | Curt Hagman Fourth District | Joe Baca, Jr Vice Chair, Fifth District
Luther Snoke Chief Executive Officer

777 East Rialto Avenue, San Bernardino, CA 92415 | Phone: 909.387.8300 Fax: 909.387.2022
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SAN BERNARDINO COUNTY

Registrar of Voters

Joani Finwall
Registrar of Voters

October 29, 2025

Claudia Y. Isbell, Assistant City Clerk/Records Management Director
City of Ontario
303 East "B" Street
Ontario, California 91764

RE: An Initiative Measure Proposing to Enact Regulations Requiring Statutory Development Agreements and Voter Approval for all Major Hotel Development Projects and Major Event Center Development Projects in the City

Dear Claudia Isbell,

As per your request dated October 24, 2025, the Registrar of Voters office has examined the petition for the City of Ontario entitled "An Initiative Measure Proposing to Enact Regulations Requiring Statutory Development Agreements and Voter Approval for all Major Hotel Development Projects and Major Event Center Development Projects in the City". As a result of our examination, we report the following:

1. Number of unverified signatures filed (raw count): 15,635
2. Number of signatures verified: 500
   a. Number of signatures found SUFFICIENT: 389
   b. Number of signatures found NOT SUFFICIENT: 111
3. NOT SUFFICIENT because DUPLICATE: 0

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this twenty-ninth day of October 2025.

Joani Finwall
Registrar of Voters

BOARD OF SUPERVISORS
COL. PAUL COOK (RET.) First District | JESSE ARMENDAREZ Second District | DAWN ROWE Chairman, Third District | CURT HAGMAN Fourth District | JOE BACA, JR Vice Chair, Fifth District
Luther Snoke Chief Executive Officer