CITY OF ONTARIO

Regular City Council/Housing Authority Meeting
OCTOBER 7, 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 meeting begins with Closed Session and Closed Session Comment at 6:00 p.m., 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.

CLOSED SESSION PUBLIC COMMENT

The Closed Session Public Comment portion of the Council/Housing Authority meeting is limited to matters appearing on the Closed Session. Additional opportunities for further Public Comment will be given during and at the end of the meeting.

CLOSED SESSION

GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 0210-204-04; 3519 East Concours; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: Merryland, LLC; Under negotiation: Price and terms of payment.

GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: APNs: 1054-051-01, 1054-051-02, 1054-061-01, 1054-061-02, 1054-251-01, 1054-251-02, 1054-301-01, 1054-301-02; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: County of San Bernardino; Under negotiation: Price and terms of payment

GC 54956.9(d)(4) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Initiation of litigation: One Case

ATTACHMENT: 20251007 Closed Session

PLEDGE OF ALLEGIANCE

Council Member Bowman

INVOCATION

Pastor Enoch Zesati, Victory Outreach Ontario Bilingual Church

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS 6:30 P.M.

The Public Comment portion of the Council/Housing 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. 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.

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.

AGENDA REVIEW/ANNOUNCEMENTS

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

CONSENT CALENDAR

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

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1. APPROVAL OF MINUTES

Minutes for the regular meetings of the City Council, Housing Authority and Ontario Public Financing Authority of September 2, 2025, and approving same as on file in the Records Management Department.

ATTACHMENT: 20250902 Meeting Minutes (Not Official Until Approved)

2. BILLS & PAYROLL

Bills August 29, 2025 through September 18, 2025, and Payroll August 10, 2025 through September 6, 2025.

3. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH 4LEAF, INC. FOR ON-CALL STRUCTURAL PLAN CHECKING SERVICES

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with 4Leaf, Inc., of Newport Beach, California, for on-call structural plan checking services, in the amount of $100,000 for a total not-to-exceed contract amount of $400,000 and exercising the two additional one-year terms.

ATTACHMENT: 4Leaf_Amendment.pdf

4. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH DANKEN, INC. FOR ON-CALL STRUCTURAL INSPECTION AND CONSTRUCTION MANAGEMENT SERVICES

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Danken, Inc., of Ladera Ranch, California, for on-call structural inspection and construction management services in the amount of $500,000 for a total not-to-exceed contract amount of $2,100,000 and exercise the two additional one-year terms.

ATTACHMENT: 01_Amendment.pdf

5. A RESOLUTION AUTHORIZING THE DESTRUCTION OF CERTAIN ELECTRONIC RECORDS RETAINED WITHIN SOFTWARE DATABASES IN ACCORDANCE WITH CITY RECORDS RETENTION SCHEDULES

That the City Council adopt a Resolution allowing the approval for the automatic destruction of electronic records that have reached the end of their designated retention periods.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE ONGOING DESTRUCTION OF CERTAIN ELECTRONIC RECORDS RETAINED WITHIN SOFTWARE DATABASES IN ACCORDANCE WITH CITY RECORDS RETENTION SCHEDULES.

ATTACHMENT: Resolution for Destruction of Electronic Records

6. AN ORDINANCE APPROVING FILE NO. PUD23-003, A PLANNED UNIT DEVELOPMENT ON 2.07 ACRES OF LAND LOCATED AT 1389 EAST HOLT BOULEVARD

That the City Council consider and adopt an Ordinance Approving File No. PUD23-003, the Holt Residential Planned Unit Development, establishing development standards, design guidelines, and infrastructure requirements to facilitate a residential development at 1389 East Holt Boulevard.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PUD23-003, A PLANNED UNIT DEVELOPMENT TO ESTABLISH PLANNING AND DESIGN PRINCIPLES, DEVELOPMENT REGULATIONS, AND PERFORMANCE STANDARDS TO GOVERN FUTURE DEVELOPMENT OF 2.07 ACRES OF LAND, LOCATED AT 1389 EAST HOLT BOULEVARD, WITHIN THE MU-6 (EAST HOLT MIXED USE) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF—APN: 0110-071-02.

ATTACHMENT: File_No._PUD23-003_02_ORD_RM.docx
ATTACHMENT: File No. PUD23-003 03 PUD attachment.pdf

7. AN ORDINANCE AMENDING SECTION 4-6.1305 OF THE ONTARIO MUNICIPAL CODE RELATING TO PERMIT PARKING ZONES ON RESIDENTIAL STREETS

That the City Council adopt an Ordinance amending Section 4-6.1305 of the Ontario Municipal Code relating to permit parking zones on residential streets.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTION 4-6.1305 OF THE ONTARIO MUNICIPAL CODE RELATING TO PERMIT PARKING ZONES ON RESIDENTIAL STREETS.

ATTACHMENT: Ordinance_Amending_Permit_Parking_Zones_RM.docx

8. A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT WITH REMINGTON APG LLC REGARDING COMMUNITY FACILITIES DISTRICT NO. 74 (REMINGTON APG LLC SERVICES) FOR ASSESSOR PARCEL NUMBER 1073-151-21 FOR FEE IN-LIEU

That the City Council:

A. Adopt a Resolution approving an agreement regarding Community Facilities District No. 74 (Remington APG LLC Services) for Assessor Parcel Number 1073-151-21 for Fee In-Lieu Agreement between the City of Ontario and Remington APG LLC (Developer); and
B. Authorize the City Manager, or his designee, to finalize, execute, and record said Agreement.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT REGARDING ASSESSOR PARCEL NUMBER 1073-151-21 FOR FEE IN-LIEU BETWEEN THE CITY OF ONTARIO AND REMINGTON APG LLC.

ATTACHMENT: CFD 74 Resolution Approving In-Lieu Agreement 01 RM
ATTACHMENT: CFD 74 In-Lieu Agreement^02 Agreement.doc.pdf

9. A RESOLUTION RELATING TO REMOVING THE USE OF SUCCESSOR AGENCY FUNDS (FORMERLY REDEVELOPMENT AGENCY) FROM RESOLUTION NO. 2007-023

That the City Council remove Section 7, Section 8, and Section 9 from prior Resolution No. 2007-023.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CLARIFYING RESOLUTION 2025-010 AND TAKING OTHER ACTIONS RELATING THERETO 2007-023 TO REMOVE SECTIONS 7, 8, AND 9 PERTAINING TO REMOVING THE USE OF SUCCESSOR AGENCY FUNDS (FORMERLY REDEVELOPMENT AGENCY).

ATTACHMENT: Resolution Amending_Reso_No_2007-023_RESO_RM

10. A CHANGE ORDER TO THE CONSTRUCTION CONTRACT WITH OPTIMA RPM, INC. FOR THE DEMOLITION OF THE MISSION MOTEL AT 1514 W. MISSION BOULEVARD FOR THE ONTARIO WELLNESS CAMPUS PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Change Order No. 4 to the Construction Contract with Optima RPM, Inc., of Irvine, California, for demolition and site clearance activities on City-owned property located at 1514 W Mission Boulevard (the Mission Motel) for the Ontario Wellness Campus Project in the amount of $753,757 for a total not-to-exceed contract amount of $5,450,726; and
B. Authorize 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.

ATTACHMENT: Optima RPM - Change Order 4.pdf

11. A CONSTRUCTION CONTRACT WITH BOGH CONSTRUCTION, LLC AND AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH ARDURRA GROUP, INC. FOR THE SPORTS EMPIRE OFFSITE IMPROVEMENTS PHASE 2 PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to approve the plans and specifications and award Contract No. D&C23-025c Sports Empire Offsite Improvements Phase 2 to Bogh Construction, LLC, of Beaumont, California, for the construction of the D&C23-025c

Sports Empire Offsite Improvements Phase 2 Project in the amount of $23,187,700 plus a 15% contingency of $3,478,155, for a total amount of $26,665,855, and

B. Authorize the City Manager, or his designee, to execute Amendment No. 3 to the Design Services Agreement with Ardurra Group, Inc., of Newport Beach, California, to provide on-call design services for the D&C23-025c Sports Empire Offsites Phase 2 Project in the amount of $588,842 for a revised not-to-exceed total amount of $3,046,054, and

C. Authorize the extension of working hours to be Monday through Saturday from 6:00 am to 11:00 pm and on Sunday from 8:00 am to 6:00 pm for the duration of the construction of the Sports Complex Offsite Improvements Project (Phase 1 and 2); and

D. Authorize 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.

ATTACHMENT: Ardurra Group, Inc. - DSA - Amendment 3.pdf
ATTACHMENT: Bogh Construction, LLC - Construction Contract.pdf

12. OPTING INTO A SETTLEMENT AGREEMENT WITH ALVOGEN, AMNEAL, APOTEX, HIKMA, INDIVIOR, MYLAN, SUN, AND ZYDUS

That the City Council authorize the City Manager, or his designee, to opt into a Settlement Agreement with opioid distributors: Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus and authorize the City Manager to execute any documents necessary to implement the action.

ATTACHMENT: Secondary Manufacturers Settlements National Opioids Settlement Combined Participation Package 082725 Rev. AM

13. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH INTERPERSONAL FREQUENCY, LLC, FOR WEBSITE REDESIGN SERVICES

That the City Council approve and authorize the City Manager, or his designee, to execute Amendment No. 2 to the Professional Services Agreement with Interpersonal Frequency, LLC, of McLean, VA, for website translation services, increasing the contract amount by $54,769 for a total contract not-to-exceed amount of $1,100,357 and to extend the term to September 4, 2028.

ATTACHMENT: IF PSA No.2.pdf

14. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH ALBERT A. WEBB ASSOCIATES INC. FOR WELL NO. 53 PROJECT

That the City Council approve and authorize the City Manager, or designee, to execute Amendment No. 2 to the Design Services Agreement with Albert A. Webb Associates Inc. of Riverside, California, for additional design services for Well No. 53 Project, OMUC Contract No. UT1063 in the amount of $124,393 for a new total revised not-to-exceed amount of $690,399 and a term from August 16, 2022 to August 16, 2026.

ATTACHMENT: DSA Amendment No. 2 with Albert A Webb

ATTACHMENT: Exhibit.pdf

15. AMERICORPS STATE CONTINUATION GRANT FOR 2025-26

That the City Council authorize the City Manager, or his designee, to execute grant documents and accept a $368,000 AmeriCorps Continuation Grant for November 2025 through October 2026 to fund the Ontario Promise Corps project.

PUBLIC HEARINGS

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

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16. A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISTICS CENTER SERVICES); AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES

That the City Council consider and:

A. Adopt a Resolution of Formation of Community Facilities District No. 69 (South Ontario Logistics Center Services), 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;
B. Adopt a Resolution calling a special election for City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services);
C. Adopt a Resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien; and
D. Introduce and waive further reading of an Ordinance levying special taxes within City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services).

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISITICS CENTER SERVICES), 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.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISTICS CENTER SERVICES).

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN.

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 SERVICES).

ATTACHMENT: CFD 69 South Ontario Logistics Center Services 01_Reso of Formation_RM
ATTACHMENT: CFD 69 (South Ontario Logistics Center Services) Reso Exhibit B^01A.pdf
ATTACHMENT: CFD 69 South Ontario Logistics Center Services 02 Reso Calling Election_RM
ATTACHMENT: CFD 69 South Ontario Logistics Center Services 03 Reso Dclr Results_RM
ATTACHMENT: CFD 69 South Ontario Logistics Center Services 04 Ord Levy Special Taxes_RM

17. A PUBLIC HEARING TO CONSIDER A RESOLUTION RELATED TO THE RATES FOR WATER, SEWER AND SOLID WASTE SERVICES

That the City Council conduct a public hearing to consider all written protests and objections against the proposed increases in the rates for water, sewer, and solid waste services in accordance with California Constitution, Article XIII D, Section 6(a), and Assembly Bill (AB) 2257 Government Code Section 53759.1 and 53759.2, and consider and approve a resolution related to the rates for water, sewer, and solid waste services.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING INCREASES OR MODIFICATIONS TO THE RATES FOR ITS WATER, SEWER, AND SOLID WASTE SERVICE CHARGES.

ATTACHMENT: Utility Rate Public Hearing Adopting Water Sewer and Soil Waste Charges RESO_RM

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

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

ADJOURNMENT

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // *(GC 54957.1)*
October 7, 2025

ROLL CALL: Wapner _, Bowman _, Porada _, Macias _, Mayor / Chairman Leon _.

STAFF: City Manager / Executive Director __, City Attorney __

In attendance: Wapner _, Bowman _, Porada _, Macias _, Mayor / Chairman Leon _.

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: APN: 0210-204-04; 3519 East Concours; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: Merryland, LLC; Under negotiation: Price and terms of payment.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

In attendance: Wapner _, Bowman _, Porada _, Macias _, Mayor / Chairman Leon _.

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: APNs:1054-051-01, 1054-051-02, 1054-061-01, 1054-061-02, 1054-251-01, 1054-251-02, 1054-301-01, 1054-301-02; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: County of San Bernardino; Under negotiation: Price and terms of payment

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // *(GC 54957.1)*
October 7, 2025
(Continued)

ROLL CALL: Wapner _, Bowman _, Porada _, Macias _, Mayor / Chairman Leon _.

STAFF: City Manager / Executive Director __, City Attorney __

In attendance: Wapner _, Bowman _, Porada _, Macias _, Mayor / Chairman Leon _.

- GC 54956.9(d)(4) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
  Initiation of litigation: One Case

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

_____
City Attorney / City Manager / Executive Director

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY/
ONTARIO PUBLIC FINANCING AUTHORITY
MINUTES
SEPTEMBER 2, 2025
(Not Official Until Approved)

JOINT MEETINGS

The regular meetings of the Ontario City Council, Housing Authority, and Public Financing Authority were held on Tuesday, September 2, 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, City Attorney/Legal Counsel Ruben Duran, 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 Council Member Porada.

INVOCATION

Mayor Leon held a moment of silence in lieu of an invocation.

PUBLIC COMMENT

Mayor Leon called upon the first speaker:
Heather Freeman, spoke regarding volunteerism and extended an invitation to Community Day of Service.
Teresa McCloskey, spoke regarding rental property concerns.

Laura Saint Martin, spoke regarding Immigration and Customs Enforcement concerns.
Martha Aragon, spoke regarding Immigration and Customs Enforcement concerns and against a utility rate increase.
Scott Rafferty, spoke regarding the redistricting process.
Chris Robles, spoke regarding utility rate increases.
Tina Silva, gave a land acknowledgment and spoke regarding Immigration and Customs Enforcement concerns.
Kizee, spoke regarding community improvement concerns.
Randy Bekendam, spoke regarding development and regenerative farming.
Priscila Garcia, spoke regarding Immigration and Customs Enforcement concerns.
Roxana Bautista, spoke regarding Immigration and Customs Enforcement concerns.
Loree Masonis, spoke regarding Immigration and Customs Enforcement.
Marty McBride, spoke regarding homelessness.
Jasmine Chavez, thanked the Ontario Police Department

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa had no announcements.

CONSENT CALENDAR

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

1. APPROVAL OF MINUTES

Approved minutes for the special meetings of the City Council and Housing Authority of July 30, 2025 and August 5, 2025, and cancelled regular meetings of August 5, 2025, and approving same as on file in the Records Management Department.

2. BILLS & PAYROLL

Approved bills July 31, 2025 through August 7, 2025, in the amount of $14,003,196.83 and, payroll July 13, 2025 through July 26, 2025, in the amount of $6,302,598.14.

3. A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE CITY OF RANCHO CUCAMONGA FOR PAVEMENT REHABILITATION OF THE VINEYARD AVENUE AND EIGHTH STREET INTERSECTION

The City Council authorized the City Manager, or his designee, to execute a Reimbursement Agreement between the City of Ontario and the City of Rancho Cucamonga for the pavement rehabilitation of the Vineyard Avenue and Eighth Street intersection, estimated to be $176,484.

4. AUTHORIZE THE RENEWAL OF THE CITY'S GEOGRAPHIC INFORMATION SYSTEM SOFTWARE LICENSE AGREEMENT WITH ESRI, INC.

The City Council authorized the City Manager, or his designee, to execute the renewal of the City's Geographic Information System (GIS) software Agreement with ESRI, Inc., of Redlands, CA, for annual licensing and maintenance support, for a total contract not-to-exceed of $643,632 for a three-year term.

5. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH INLAND EMPIRE STAGES, LTD, FOR CHARTER BUS TRANSPORTATION SERVICES

The City Council authorized the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Inland Empire Stages, Ltd., increasing the contract by $244,000 for a new total not-to-exceed amount of $384,000, and extend the contract term to June 30, 2027.

6. AN AMENDMENT TO THE GOODS AND SERVICES AGREEMENT WITH J6D INC, FOR CUSTOM APPAREL SERVICES

The City Council authorized the City Manager or his designee to execute Amendment No. 1 to the Goods and Services Agreement with J6D, Inc. of Ontario, California, in the amount of $200,000 for a total not-to-exceed contract amount of $500,000, and extend the contract term to October 16, 2027.

7. OPTING INTO A SETTLEMENT AGREEMENT WITH PURDUE PHARMA, L.P. AND THE SACKLER FAMILY

The City Council authorized the City Manager, or his designee, to opt into a Settlement Agreement with opioid distributors, Purdue Pharma, L.P. and the Sackler Family, and authorized the City Manager to execute any documents necessary to implement the action.

8. A CONSTRUCTION CONTRACT WITH BOGH CONSTRUCTION LLC FOR THE CONSTRUCTION OF THE DE ANZA PARK RENOVATION PROJECT

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute a Construction Contract for D&C25-001 De Anza Park Renovation with Bogh Construction LLC, of Beaumont, California, for the De Anza Park Renovation Project for a total contract amount of $11,541,198 plus a 10% contingency of $1,154,120, for a total contract amount not-to-exceed $12,695,318; 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.

9. A MAINTENANCE SERVICES AGREEMENT WITH T.E. ROBERTS INC. FOR ON-CALL SERVICES FOR WATER DISTRIBUTION AND SEWAGE COLLECTION SYSTEM REPAIRS

The City Council authorized the City Manager, or designee, to execute a one-year Maintenance Services Agreement with T.E. Roberts Inc., of Irvine, California, for on-call water distribution and sewage collection system repairs in the amount of $1,200,000 from September 2, 2025 to June 30, 2026, with the option to extend the agreement for up to four successive one-year periods for a total not-to-exceed $6,630,750.

10. AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH FUEL SERV, INC. FOR FUEL SITE EQUIPMENT MAINTENANCE AND ON-CALL SERVICES

The City Council authorized the City Manager, or his designee, to execute Amendment No. 1 to the Maintenance Services Agreement with Fuel Serv, Inc., of Montclair, California, for fuel site equipment maintenance and on-call services in the amount of $600,000, for a total not-to-exceed contract amount of $750,000, and exercising the remaining four option years extending the term to September 30, 2029.

11. AUTHORIZE THE PURCHASE OF SPECIALIZED LAW ENFORCEMENT SAFETY EQUIPMENT WITH AARDVARK

The City Council authorized the City Manager or his designee to execute the one-time purchase of specialized law enforcement safety equipment through Aardvark, with its principal place of business in La Verne, California, for an amount not to exceed $187,684.

12. AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH ASSETWORKS, INC. FOR FLEET MAINTENANCE, REPAIR, DATA TRACKING SOFTWARE, AND DATA RETENTION

The City Council authorized the City Manager, or his designee, to execute Amendment No. 2 to the Maintenance Services Agreement with AssetWorks, Inc., of Wayne, Pennsylvania, for the fleet maintenance, repair, data tracking software, and data retention in the amount of $198,142 for a total not-to-exceed amount of $345,485 over the five-year term.

13. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH JUNIPER GROUP, LLC FOR LEADERSHIP COACHING AND EMPLOYEE DEVELOPMENT SERVICES

The City Council authorized the City Manager, or his designee, to execute Amendment No. 4 to the Professional Services Agreement with Juniper Group, LLC, of Annapolis, Maryland, for leadership coaching and employee development services in the amount of $175,000 for a total not-to-exceed amount of $325,000.

PUBLIC HEARINGS

14. A PUBLIC HEARING TO APPROVE FILE NO. PUD23-001, A PLANNED UNIT DEVELOPMENT ON 0.37-ACRE OF LAND LOCATED AT 111 NORTH MONTEREY AVENUE

The City Council introduced and waived further reading of an Ordinance approving File No. PUD23-001, the Monterey Avenue Planned Unit Development, establishing development standards, design guidelines, and infrastructure requirements to facilitate a commercial development at 111 North Monterey Avenue.

ORDINANCE NO. 3313 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PUD23-001, A PLANNED UNIT DEVELOPMENT TO ESTABLISH DEVELOPMENT STANDARDS, DESIGN GUIDELINES, AND INFRASTRUCTURE REQUIREMENTS FOR PROPERTY LOCATED AT 111 NORTH MONTEREY AVENUE, WITHIN LUA-3 (HOLT BOULEVARD) OF THE MU-1 (DOWNTOWN MIXED USE) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF - APN: 1048-523-15.

Notice of public hearing was duly given. Affidavits of compliance were on file. There were no written communications. Mayor Leon opened the public hearing and inquired if anyone was interested in speaking to the item. Hearing no one wishing to speak, 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. 3313.

15. LEASE FINANCING PLAN FOR THE PROPOSED ACQUISITION OF PARK LAND AT THE SOUTHWEST CORNER OF PARK VISTA DRIVE AND ARCHIBALD AVENUE

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

A. The financing for the acquisition of real property located at southwest corner of Park Vista Drive and Archibald Avenue for a period of ten (10) 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

The Ontario Public Finance Authority authorized 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 southwest corner of Park Vista Drive and Archibald Avenue for a period of ten (10) 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 SC Ontario Development Company, LLC.

RESOLUTION NO. 2025-134 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 AUTHORIZING OFFICIAL ACTIONS.

RESOLUTION NO. OPFA-013 A RESOLUTION OF THE ONTARIO PUBLIC FINANCING AUTHORITY, OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING A LEASE FINANCING IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $21,829,500 IN CONNECTION WITH THE FINANCING OF PUBLIC CAPITAL IMPROVEMENTS, AUTHORIZING AND DIRECTING EXECUTION OF A SITE AND FACILITIES LEASE, LEASE AGREEMENT, ASSIGNMENT AGREEMENT AND AUTHORIZING OFFICIAL ACTIONS AND EXECUTION OF RELATED DOCUMENTS.

Notice of public hearing was duly given. Affidavits of compliance were on file. There were no written communications. Mayor Leon opened the public hearing and inquired if anyone was interested in speaking to the item.

Public Comment
Chris Robles, spoke in opposition.

MOTION: Moved by Council Member Bowman, seconded by Council Member Porada and carried by a unanimous vote of 5-0, to adopt Resolution Nos. 2025-134 and OPFA-013.

STAFF MATTERS

City Manager Ochoa made no announcements.

COUNCIL MATTERS

Council Member Porada announced the Ontario Heritage event.

Mayor pro Tem Wapner sought consensus to adjourn the meeting in honor of Dale Briggs, who recently passed.

Council Member Bowman had no comments.

Council Member Macias commented regarding the importance of parks.

Mayor Leon spoke in memory of Dale Briggs and announced the concert in Town Square.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies in memory of Dale Briggs at 7:17 p.m., and announced the next regular meeting was scheduled for September 16, 2025.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Bryan Lirley 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: 3

SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH 4LEAF, INC. FOR ON-CALL STRUCTURAL PLAN CHECKING SERVICES

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with 4Leaf, Inc., of Newport Beach, California, for on-call structural plan checking services, in the amount of $100,000 for a total not-to-exceed contract amount of $400,000 and exercising the two additional one-year terms.

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 Amendment No. 1 to the Professional Services Agreement with 4Leaf, Inc. is in the amount of $50,000 per year for the next two years for a total not-to-exceed contract amount of $400,000. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the General Fund for on-call structural plan checking services.

BACKGROUND & ANALYSIS: In August 2022, the City solicited proposals for Invitation No. 1568 for on-call structural plan checking services. Using a quality-based selection, a panel of City staff determined that 4Leaf, Inc. was the most qualified firm. In November 2022, the City Council awarded a three-year Professional Services Agreement, with an optional two-year extension to 4Leaf, Inc.

Due to the volume and timing of development within the City, and the specialized nature of structural plan checking services, approval of this amendment is needed to supplement the City's in-house and existing consultant plan check staff. This will allow the City to maintain the schedule commitments to support development-related construction activities and to ensure that construction progresses in compliance with City requirements.

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. 1
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO AND
4LEAF, INC.

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 **4Leaf, Inc.** a Corporation with its principal place of business at 2126 Rheem Drive, Pleasanton, CA 94588 ("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 Engineering Services for Structural Plan Checking" dated November 15, 2022 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement for structural plan checking services to extend **two (2) additional years from November 15, 2025, to November 14, 2027,** and increase the not-to-exceed contract amount **One Hundred Thousand Dollars ($100,000)** for a total not-to-exceed contract amount of **Four Hundred Thousand Dollars ($400,000).**

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

3. Terms.

3.1 Amendment. Section 3.1 of the Agreement is hereby amended in its entirety to read

as follows:

3.1.2 Compensation

Consultant shall receive compensation for all Services rendered under this Agreement. In no event shall the total amount paid for services rendered by Consultant during the extended period of November 15, 2022 through November 14, 2023, exceed the sum of **One Hundred Thousand ($100,000)**; and from November 15, 2023 through November 14, 2024, exceed the sum of **One Hundred Thousand ($100,000)**; and from November 15, 2024 through November 14, 2025, exceed the sum of **One Hundred Thousand ($100,000)**; from November 15, 2025 through November 14, 2026, exceed the sum of **Fifty Thousand Dollars ($50,000),** and from November 15, 2026 through November 14, 2027, exceed the sum of **Fifty Thousand Dollars ($50,000)** with a revised cumulative contract not-to-exceed amount of **Four Hundred Thousand ($400,000).**

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 THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND 4LEAF, INC.

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

4Leaf, Inc.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Bryan Lirley Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Khoi Do, Bonnie Tam, Andrea Ampig Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 4

SUBJECT: **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH DANKEN, INC. FOR ON-CALL STRUCTURAL INSPECTION AND CONSTRUCTION MANAGEMENT SERVICES**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Danken, Inc., of Ladera Ranch, California, for on-call structural inspection and construction management services in the amount of $500,000 for a total not-to-exceed contract amount of $2,100,000 and exercise the two additional one-year terms.

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 Amendment No. 1 to the Professional Services Agreement with Danken, Inc. is in the amount of $250,000 per year for the next two years for a total not-to-exceed contract amount of $2,100,000. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the General Fund for on-call structural inspection and construction management services.

BACKGROUND & ANALYSIS: In August 2022, the City solicited proposals for Invitation No. 1567 for on-call structural inspection and construction management services. Using a quality-based selection, a panel of City staff determined Danken, Inc. to be the most qualified firm. In November 2022, the City Council awarded a three-year Professional Services Agreement, with an optional two-year extension to Danken, Inc.

Due to the volume and timing of construction, specialized structural inspection services will be needed to supplement the City's in-house inspection staff. This will allow the City to maintain the scheduled commitments to support development-related construction activities and to ensure that construction progresses in compliance with City requirements.

CITY OF ONTARIO
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PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 1
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO AND
DANKEN, INC.

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 **Danken, Inc.** a Corporation with its principal place of business at 27 Strathmore, Ladera Ranch, CA 92694 ("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 Engineering Services for Structural Inspection and Construction Management" dated November 15, 2022 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement for structural inspection and construction management services to extend **two (2) additional years from November 15, 2025, to November 14, 2027,** and increase the not-to-exceed amount **Five-Hundred Thousand Dollars ($500,000)** for a total not-to-exceed contract amount of **Two Million One Hundred Thousand ($2,100,000).**

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

3. Terms.

3.1 Amendment. Section 3.1 of the Agreement is hereby amended in its entirety to read

as follows:

3.1.2 Compensation

Consultant shall receive compensation for all Services rendered under this Agreement. In no event shall the total amount paid for services rendered by Consultant during the extended period of November 15, 2022 through November 14, 2023, exceed the sum of **Six Hundred Thousand ($600,000)**; and from November 15, 2023 through November 14, 2024, exceed the sum of **Five Hundred Thousand ($500,000)**; and from November 15, 2024 through November 14, 2025, exceed the sum of **Five Hundred Thousand ($500,000)**; from November 15, 2025 through November 14, 2026, exceed the sum of **Two Hundred Fifty Thousand Dollars ($250,000),** and from November 15, 2026 through November 14, 2027, exceed the sum of **Two Hundred Fifty Thousand Dollars ($250,000)** for a revised cumulative contract not-to-exceed amount of **Two Million One Hundred Thousand ($2,100,000).**

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 THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND DANKEN, INC.

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 6 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

Danken, Inc.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Records Management Prepared By: Karen Morrison Department: Prepared By: Karen Morrison Staff Member Presenting: Claudia Y. Isbell, Assistant City Clerk Reviewed By: Raiza Ibanez Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 5

SUBJECT: **A RESOLUTION AUTHORIZING THE DESTRUCTION OF CERTAIN ELECTRONIC RECORDS RETAINED WITHIN SOFTWARE DATABASES IN ACCORDANCE WITH CITY RECORDS RETENTION SCHEDULES**

RECOMMENDATION: That the City Council adopt a Resolution allowing the approval for the automatic destruction of electronic records that have reached the end of their designated retention periods.

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

FISCAL IMPACT: There is no fiscal impact associated with this action.

BACKGROUND & ANALYSIS: The City of Ontario maintains a variety of electronic records stored on various databases, including public records requests, financials, payroll, permits, emails, licenses, etc. These records are subject to retention schedules and policies designed to comply with applicable laws, regulations, and internal requirements. Regular reviews are conducted to identify records that have met their retention periods and are eligible for destruction.

Due to new technology, the City has advanced to automated systems that will perform ongoing daily destructions of electronic records to keep the City in compliance with the adopted retention schedule.

These records have been thoroughly reviewed and are no longer required for legal, regulatory, or operational purposes. Their continued storage presents potential risks and costs related to data security, storage capacity, and electronic discovery.

- Compliance: The records have met their retention requirements as defined by City of Ontario's adopted records retention schedule and applicable regulations.
- Risk Mitigation: Continued storage of these electronic records increases the risk of

unauthorized access, data breaches, and potential legal exposure.

- Cost Savings: Destroying these records will free up valuable storage space and reduce the costs associated with data storage and maintenance.
- Efficient Discovery: By removing outdated data, electronic discovery processes become more efficient.

Staff is recommending that the City Council approve and adopt a Resolution for the secure and permanent destruction of the electronic records when the retention date is met.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE ONGOING DESTRUCTION OF CERTAIN ELECTRONIC RECORDS RETAINED WITHIN SOFTWARE DATABASES IN ACCORDANCE WITH CITY RECORDS RETENTION SCHEDULES.

WHEREAS, Section[s] 34090 and 34090.7 of the Government Code of the State of California provides a procedure whereby any City record[1] which has served its purpose and is no longer required may be destroyed; and

WHEREAS, the State of California has adopted guidelines[2] for retention periods for various government records; and

WHEREAS, the City of Ontario ("City") Council adopted Resolution No. 2021-186 on December 21, 2021, making revisions and updating the Records Retention Schedule; and

WHEREAS, the City generates and maintains electronic records within various databases in the course of its operations; and

WHEREAS, these electronic records are subject to retention schedules and policies established by the City to comply with legal, regulatory, and operational requirements; and

WHEREAS, certain electronic records have reached the end of their designated retention periods and are no longer required for legal, regulatory, or operational purposes; and

WHEREAS, the continued storage of these records poses potential risks and costs associated with data security, storage capacity, and electronic discovery; and

WHEREAS, it is the intent of the City to improve its processes to become more efficient and cost effective by allowing for the use and acceptance of electronic records when conducting City business; and

WHEREAS, the City desires to improve its processes and become more efficient without compromising security; and

WHEREAS, the proposed destruction will be conducted in a manner that ensures the confidentiality, integrity, and availability of remaining records and complies with all applicable laws and regulations.

[1] Cal Gov. Code, § 7920.530
[2] Cal Gov. Code, § 12236

NOW, THEREFORE, BE IT RESOLVED, that the City Council of City of Ontario does resolve as follows:

SECTION 1. The City Council does hereby find and declare that the above recitals are true and correct.

SECTION 2. The electronic records maintained in databases of the City of Ontario as set forth in the Records Retention Schedule are hereby authorized to be destroyed automatically on an ongoing basis as provided by Government Code Section[s] 34090 and 34090.7 and in accordance with the provisions of said schedule. Such destruction shall not occur if the records are subject to pending or reasonably foreseeable litigation, audits, or public records requests.

SECTION 3. A Destruction Log shall be completed to document the records destroyed, including the dates of destruction, and report or listing of the records destroyed for all destructions. This Destruction Log shall be retained permanently and documented for audit purposes.

SECTION 4. This Resolution shall become effective upon its adoption.

SECTION 5. The City Clerk is authorized and directed to implement procedures for the secure destruction of such records consistent with City policy and applicable security standards.

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

PASSED, APPROVED, AND ADOPTED this 7th day of October 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 October 7, 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 October 7, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Planning Prepared By: Robert Morales Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 6

SUBJECT: **AN ORDINANCE APPROVING FILE NO. PUD23-003, A PLANNED UNIT DEVELOPMENT ON 2.07 ACRES OF LAND LOCATED AT 1389 EAST HOLT BOULEVARD**

RECOMMENDATION: That the City Council consider and adopt an Ordinance Approving File No. PUD23-003, the Holt Residential Planned Unit Development, establishing development standards, design guidelines, and infrastructure requirements to facilitate a residential development at 1389 East Holt Boulevard.

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

FISCAL IMPACT: There is not a direct fiscal impact associated with this action. The proposed Holt Residential Planned Unit Development (PUD) establishes development standards and guidelines to facilitate the development of residential units. Implementation of the PUD would result in an increase in property taxes from future residential development and the one-time payment to the City for plan check fees and development impact fees.

BACKGROUND & ANALYSIS: On September 16, 2025, the City Council introduced and waived further reading of an Ordinance Approving the Planned Unit Development.

On July 6, 2023, JWDA-MS ARCHITECTS filed a Planned Unit Development application (File No. PUD23-003).

The Project site consists of 2.07 acres of land located at 1389 East Holt Boulevard, at the northwest corner of Holt Boulevard and Imperial Avenue, within the MU-6 (East Holt Mixed Use) zoning district. The site is currently vacant and undeveloped. The property is situated along the Holt Boulevard corridor, a key urban revitalization area identified in The Ontario Plan ("TOP") 2050 Vision, intended to support higher-intensity, mixed-use infill development and improved transit connectivity.

The Project site is generally surrounded by a mix of residential, commercial, and light industrial land uses. Properties to the north include single-family residential homes, while parcels to the east across Imperial Avenue are developed with mobile home units. To the south across Holt Boulevard, land uses consist of automotive-related uses and commercial uses. Properties to the west include residential and commercial uses. The site is also located within proximity to areas identified for transit-oriented development under the City's long-range planning efforts.

The Policy Plan states that the Mixed-Use Holt Corridor must be implemented through the approval of a Planned Unit Development before any property development occurs. In compliance with this requirement, the Applicant has submitted the Holt Residential Planned Unit Development (included as Attachment A to the Ordinance), which is consistent with this vision, goals, and policies of the Policy Plan.

Key components of the Holt Residential Planned Unit Development include the following:

- **Land Use and Development Regulations** — The MU-6 (East Holt Mixed-Use) zoning district allows for residential development at a density of 14 to 40 dwelling units per acre. Consistent with the MU-6 zoning and The Ontario Plan ("TOP") land use designation of Mixed Use – Holt (MU-Holt), the Holt Residential Planned Unit Development (PUD) allows for multiple-family residential development within this density range and establishes standards for building height, setbacks, open space, and site layout. The PUD is intended to facilitate compact, walkable infill housing that complements the urban form, scale, and character of the Holt Boulevard corridor.
- **Landscaping** — The PUD establishes guidelines for landscaping that promote the use of "California-friendly" and drought-tolerant plant materials consistent with water-efficient design principles. Landscaping is intended to enhance the overall character of the development, complement architectural styles, and provide screening for utility equipment, trash enclosures, and parking areas. A landscape and irrigation plan is required prior to the issuance of building permits and must comply with applicable City standards.
- **Parking and Circulation** — The PUD requires compliance with the parking, loading, and lighting provisions of the City of Ontario Development Code (Division 6.03) and applicable provisions of State Density Bonus Law. Resident parking is accommodated on-site within enclosed two-car garages. As permitted under State law, the Project is subject to reduced parking ratios consistent with Density Bonus provisions. Internal circulation is provided through a private drive aisle that connects directly to Holt Boulevard and Imperial Avenue, ensuring safe and efficient access throughout the site.
- **Access to Mass Transit** — The Project is located along the Holt Boulevard Bus Rapid Transit (BRT) Corridor, with an existing westbound Omnitrans Route 61 bus stop directly in front of the site.
- **Architectural Character** — The PUD requires a modern interpretation of the Spanish colonial style to enhance the overall character of the Holt Boulevard corridor. Building design will incorporate high-quality elements such as varied rooflines composed of gabled forms with s-profile terracotta tiles, stucco finishes, recessed windows, and decorative detailing to create visual interest. The PUD requires the use of at least 3 different materials and a

combination of light and dark colors to provide contrast across the building elevations. Windows will be recessed, and decorative light fixtures will be consistent with the Spanish colonial character. Parapet walls and other architectural features conceal rooftop equipment from public view.

On August 26, 2025, the Planning Commission conducted a public hearing to consider the project and concluded the hearing on that date. After considering all public testimony on the application, the Planning Commission voted (5-0) approving the Development Plan (File No. PDEV23-019) application to facilitate construction of 50 multiple-family units and recommended that the City Council approve a Resolution for the Holt Residential Planned Unit Development.

HOUSING ELEMENT COMPLIANCE: 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, principles, goals, and policies of the Housing Element.

AIRPORT LAND USE COMPATIBILITY PLAN (ALUCP) COMPLIANCE: 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. On April 19, 2011, the City Council of the City of Ontario approved and adopted the ONT ALUCP, 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 decision-making body 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, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the ONT ALUCP.

ENVIRONMENTAL REVIEW: The Project is exempt from the requirements of the California Environmental Quality Act (CEQA) and the guidelines promulgated thereunder, pursuant to Section 15332 (Class 32 – Infill Development Projects) of the CEQA Guidelines. The Project qualifies as infill development because it is consistent with the applicable general plan and zoning designation, occurs within city limits on a site less than five acres substantially surrounded by urban uses, has no value as habitat for endangered species, would not result in significant effects related to traffic, noise, air quality, or water quality, and can be adequately served by all required utilities and public services.

ORDINANCE NO._____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PUD23-003, A PLANNED UNIT DEVELOPMENT TO ESTABLISH PLANNING AND DESIGN PRINCIPLES, DEVELOPMENT REGULATIONS, AND PERFORMANCE STANDARDS TO GOVERN FUTURE DEVELOPMENT OF 2.07 ACRES OF LAND, LOCATED AT 1389 EAST HOLT BOULEVARD, WITHIN THE MU-6 (EAST HOLT MIXED USE) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF—APN: 0110-071-02.

WHEREAS, JWDA-MS ARCHITECTS ("Applicant") has filed an Application for the approval of a Planned Unit Development, File No. PUD23-003, as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 2.07 acres of land generally located at the northwest corner of Holt Boulevard and Imperial Avenue, at 1389 East Holt Boulevard within the MU-6 (East Holt Mixed Use) zoning district, and is presently vacant; and

WHEREAS, the property to the north of the Project site is within the MU-6 (East Holt Mixed Use) zoning district and is developed with a single-family residence. The property to the east is within the MU-6 (East Holt Mixed Use) zoning district and is developed with mobile homes. The property to the south is within the BP (Business Park) zoning district and is developed with automotive retail. The property to the west is within the MU-6 (East Holt Mixed Use) zoning district and is currently vacant; and

WHEREAS, the proposed PUD establishes site-specific development regulations, design guidelines, and land use standards to facilitate the residential development while ensuring compatibility with surrounding land uses and compliance with the City's Development Code and policy documents; and

WHEREAS, the PUD is consistent with the goals and policies of The Ontario Plan, including the Land Use, Housing, and Community Design Elements, by promoting infill development, supporting transit-oriented housing along the Holt Boulevard corridor, and incorporating high-quality architectural and landscape design; and

WHEREAS, the PUD contributes to the revitalization of the Holt Boulevard corridor by providing a high-quality residential development adjacent to a Bus Rapid Transit (BRT) stop, and supports the intent of the former Center City Redevelopment Plan to encourage higher-density housing in close proximity to Downtown Ontario and the Ontario Airport Metro Center; and

WHEREAS, the proposed PUD includes development standards for height, setbacks, parking, circulation, landscaping, open space, and architectural design that are appropriate for the site and consistent with the MU-6 zoning district; and

WHEREAS, the project site is located within a 65-70 CNEL noise contour of the Ontario International Airport Land Use Compatibility Plan, and the PUD requires compliance with indoor noise attenuation requirements for all residential units and indoor common areas; and

WHEREAS, the Application is a project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"); and

WHEREAS, the Project is exempt from CEQA pursuant to a categorical exemption (listed in CEQA Guidelines Article 19, commencing with Section 15300) and the application of that categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

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

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport ("ONT"), 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 (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 August 26, 2025, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date, voting to issue Resolution No. PC25-041 recommending the City Council approve the Application; and

WHEREAS, on September 16, 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 Ordinance have occurred.

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

SECTION 1: ***Environmental Determination and Findings.*** As the decision-making body for the Project, the City Council has reviewed and considered the information contained in the administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the City Council, 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 Project is categorically exempt from environmental review pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines and meets all of the following conditions

(a) *The Project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.* The proposed Project is located within the Mixed Use – Holt Boulevard land use designation of the Policy Plan Land Use Map, and the MU-6 (East Holt Mixed Use) zoning district. The proposed Project is consistent with all applicable general plan policies, as well as with the MU-6 (East Holt Mixed Use) zoning district and applicable Holt Residential Planned Unit Development, and Development Code regulations.

(b) *The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses*. The project is proposed within the established boundaries of the City of Ontario, covering approximately 2.07 acres of land. To the north, there are single-family residential homes, while the parcels to the east, across Imperial Avenue, are developed with mobile home units. To the south, across Holt Boulevard, the area consists of automotive-related commercial businesses and retail storefronts. Properties to the west include both residential and commercial uses.

(c) *The Project site has no value as habitat for endangered, rare, or threatened species.* The site is currently vacant and lacks any wildlife, making it unsuitable as a habitat for endangered, rare, or threatened species. Furthermore, the site is not indicated on any federal or state designation maps. Surrounding developments include various types of properties: to the north, there are single-family residential homes; to the east, across Imperial Avenue, there are mobile home units; to the south, beyond Holt Boulevard, there are automotive-related businesses and retail storefronts; and to the west, the area features a mix of residential and commercial properties.

(d) *Approval of the Project would not result in any significant effects relating to traffic, noise, air quality, or water quality.* The proposed residential development is similar to, and of no greater impact than other allowed uses and development projects within the MU-6 (East Holt Mixed Use) zoning district.

(e) *The site can be adequately served by all required utilities and public services.* All necessary wet and dry utilities are available for the Project site; and

(3) The application of the categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

(4) The determination of CEQA exemption reflects the independent judgment of the City Council.

SECTION 2: ***Airport Land Use Compatibility Plan ("ALUCP") Compliance.*** 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 decision-making body 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, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the ONT ALUCP; and

SECTION 3: ***Concluding Facts and Reasons.*** 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 and 2, above, the City Council hereby concludes as follows:

(1) ***The proposed PUD, or amendment thereto, is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.*** The proposed PUD is consistent with the goals, policies, plans, and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.

(2) ***The proposed PUD, or amendment thereto, would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.*** The proposed PUD would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City. The City Council has imposed appropriate safeguards through conditions of approval to ensure that: [i] the intent and objectives of the Planned Unit Development are upheld; [ii] the project will not jeopardize public health or safety; [iii] no significant environmental impacts will occur as a result of the project; [iv] the development will be compatible with surrounding uses; and [v] the project is consistent with the Vision, Policy Plan, and City Council Priorities outlined in The Ontario Plan 2050. The PUD incorporates best practices in site planning, building orientation, and pedestrian connectivity, and provides both private and common open space, adequate vehicular access, and proximity to transit, ensuring that the development contributes positively to the overall welfare of the community.

(3) ***In the case of an application affecting specific property(ies), the proposed PUD, or amendment thereto, will not adversely affect the harmonious relationship with adjacent properties and land uses.*** The proposed PUD will not adversely affect the harmonious relationship with adjacent properties and land uses. The Project site is surrounded by a mix of residential, commercial, and light industrial uses, and the PUD has been designed to complement this context. The motor court townhome configuration provides a scaled transition between surrounding development patterns, and incorporates appropriate setbacks, landscaping, and decorative walls to buffer adjacent parcels. The inclusion of multi-family housing along this segment of the Holt Boulevard Corridor supports the City's mixed-use and revitalization objectives, and the project will reinforce the area's character without introducing land use conflicts.

(4) ***In the case of an application affecting specific property(ies), the subject site is physically suitable, including, but not limited to, parcel size, shape, access, and availability of utilities, for the request and anticipated development.*** The subject site is physically suitable, including, but not limited to, parcel size, shape, access, and availability of utilities, for the proposed development. A detailed review of the 2.07-acre infill site was conducted, including evaluation of its rectangular shape, street frontage along Holt Boulevard and Imperial Avenue, access to existing water, sewer, and stormwater infrastructure, and capacity to accommodate 50 residential units with supporting amenities. The PUD also addresses building height and setbacks, vehicular and pedestrian circulation, required common and private open space, site landscaping, and proximity to public transit. Based on this review, the site is deemed physically appropriate to accommodate the proposed development in a safe, efficient, and high-quality manner.

(5) ***The proposed PUD is superior to that which could be obtained through the application of the Development Code or a specific plan.*** The proposed PUD is superior to that which could be obtained through the

application of the Development Code or a specific plan. The PUD establishes customized development standards and design guidelines that facilitate a higher-quality, context-sensitive residential project than would be possible under base zoning regulations alone. The PUD supports enhanced architectural articulation, improved streetscape interaction, flexible setbacks, and integration of indoor recreation spaces to comply with airport noise compatibility requirements. These standards will enable a well-designed infill development that aligns with the vision for the Holt Boulevard corridor and better supports the City's goals for mixed-use revitalization, transit-oriented development, and housing diversity.

SECTION 4: ***City Council Action.*** Based upon the findings and conclusions set forth in Sections 1 through 3, above, the City Council hereby APPROVES the herein described Planned Unit Development, attached hereto as "Attachment A," and incorporated herein by this reference.

SECTION 5: ***Indemnification.*** 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 6: ***Custodian of Records.*** 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 7: ***Severability.*** 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 8: ***Effective Date.*** This Ordinance shall become effective 30 days following its adoption.

SECTION 9: ***Publication and Posting.*** 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.

PASSED, APPROVED, AND ADOPTED this 7th day of October 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. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held September 16, 2025 and adopted at the regular meeting held October 7, 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. _____ duly passed and adopted by the Ontario City Council at their regular meeting held October 7, 2025 and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

File No. PUD23-003;
HOLT RESIDENTIAL PLANNED UNIT DEVELOPMENT

(Document follows this page)

HOLT RESIDENTIAL PLANNED UNIT DEVELOPMENT

1389 E. Holt Boulevard

Ontario, California

Prepared for:

CITY OF ONTARIO
303 East B Street
Ontario, California 91764

Prepared by:

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SECTION 1 INTRODUCTION

The Residential Development Planned Unit Development ("PUD") applies to the vacant 2.02-acre property located at 1389 East Holt Boulevard within the City of Ontario ("City"). It is located on the northwestern corner of North Imperial Avenue and East Holt Boulevard just south of East Nocta Street (see Exhibit 1.1 Project Location Map). This PUD describes the City's vision for the Residential Development that will bring a mix of market rate and affordable housing to the project site. Furthermore, the Holt Boulevard project area, explains how the PUD promotes the City's land use goals and revitalization objectives, aligns with the City's planning and design principles, and establishes the land use and development standards for the Project site as a residential development. The PUD site is located in The Ontario Plan (TOP) Mixed Use (M-U) land use designation and East Holt Mixed Use (MU-6) Zoning District which requires the establishment of a Planned Unit Development prior to the development of the property as set forth in the Ontario Development Code Section 4.01.030 (Planned Unit Development (PUD) and Amendments). Unless otherwise defined herein, the definitions and interpretations contained in the City's Development Code shall apply to this PUD. City staff and private developers shall rely on this PUD to determine whether proposed development plans for the Property are adequate and meet the City's land use and design objectives.

EXHIBIT 1.1: PROJECT LOCATION MAP



1.1. Project Overview

This PUD will facilitate the development of the Holt Development ("Project') as a residential development project consisting of affordable and market rate residential units. This development will consist of 50 units in a motor court townhome design as identified in the multiple-family development standards in the City of Ontario Development Code. Residential units are throughout twelve three-story buildings. Exhibit 1.2 shows the proposed Project Site Plan.

EXHIBIT 1.2: PROJECT SITE PLAN



SECTION 2 PROJECT OBJECTIVES

The Ontario Plan (Policy Plan) designates the land use for the Property as Mixed Use- Holt Boulevard Area (MU-Holt) (see Exhibit 2.1). Generally, the Mixed-Use designation provides for "an intense mixture of uses that, when concentrated, create focal points for community activity and identity and facilitate walking, biking, and the use of transit". More specifically, the Mixed Use – Holt Boulevard Area is envisioned as a low-rise (3 to 5 stories) intensification of the Holt Corridor. The intent is to create identity and place along the Holt Corridor, connect the corridor to Downtown, and connect the Downtown to the Ontario Airport Metro Center. The Holt Boulevard Area specifies a residential density range of 14.0 to 40.0 dwelling units per acre.

EXHIBIT 2.1: GENERAL PLAN LAND USE PLAN



The Holt Residential Project is consistent with the principles, goals, and policies set forth in the Ontario Plan, including: (1) Vision; (2) Policy Plan; (3) Implementation Programs; and (4) City Council Priorities.

2.1 Vision

On August 16, 2022, the Ontario City Council adopted The Ontario Vision 2050. The central theme that motivates the Vision is: "A sustained, community-wide prosperity which continuously adds value and yields benefits... Everything the City does and every action the City takes is done with this simple yet comprehensive theme in mind, from the design quality of the built environment, to the intent of designing socio-economic programs, to the way in which its leaders govern as a community. In discussing a Vision that would endure for the lifetime of The Ontario Plan (30 years or more), the City Council recognized that there are four components that serve as the basic building blocks that set the foundation for a unified and prosperous community. These foundational blocks must be expressed and widely accepted throughout The Ontario Plan's lifetime." They are:

1. Dynamic Stability that enables the community to confront the continued dynamic growth of the region and technological change with confidence and a sense of opportunity.
2. A Prosperous Economy that sustains the perception and reality of prosperity across our entire community that positively impacts all the people of Ontario and is broadly – though not uniformly – shared.
3. Distinctive Development that integrates our varied and diverse focal points, districts, villages, and neighborhoods to provide a feeling of coherence without sacrificing uniqueness.
4. Recognized Leadership in local governance that stimulates excellence and serves to unify the people of Ontario in support of best practices in conducting public endeavors.

The PUD would implement the Ontario Vision by:

• Developing residential units near high frequency transportation facilitating movement and connectivity.

• Developing a residential project on a site in close proximity to schools, recreation and cultural facilities, places of worship, places of employment and shopping, and transportation lines.

• Further diversifying the City's housing stock and jobs-housing ratio.

• Preserving the integrity and character of the Holt Boulevard Mixed Use Zoning District while promoting the Ontario Plans residential goals.

• Incorporating high-quality materials that are complementary of the existing neighborhood and consistent with the design guidelines established for the City.

• Creating housing in proximity to the future West Valley Connector bus rapid transit (BRT) line and, therefore, encouraging the development of higher density residential development near high frequency transportation, and facilitating movement and connectivity.

2.2 The Ontario Plan – Policy Plan

2.2.1 LAND USE ELEMENT

Relevant Ontario Plan Land Use Element ("LUE") Goals and Policies are described below.

Goal/Policy	General Plan Land Use Goal/Policy	Discussion
LUE Goal 1	***Balance.*** A community that has a spectrum of housing types and price ranges that match the jobs in the City and that make it possible for people to live and work in Ontario and maintain a quality of life.	The PUD contributes to the range of housing types and jobs in the City. It provides multiple-family residences in proximity to public transportation, commercial, school, and park.
LUE Policy 1.1	***Strategic Growth.*** Concentration of growth in strategic locations that help create place and identity, maximize available and planned infrastructure, foster the development of transit, and support the expansion of the active multimodal transportation networks throughout the City.	The Project site is an infill parcel surrounded by single and multi-family residential, industrial, and commercial uses. A transit stop (Omnitrans Route 61) is located in front of the parcel.
LUE Policy 1.3	***Adequate Capacity.*** Adequate infrastructure and services for all development.	The Project as proposed has adequate infrastructure and services as required.
LUE Goal 2	***Compatibility.*** Compatibility between a wide range of uses and resultant urban patterns and forms.	The PUD takes into account the surrounding existing uses and effectively transitions to the proposed multiple family residential. It also creates a balance and transition to the adjacent medium and lower-density residential along Nocta Street and Imperial Avenue.
LUE Policy 2.1	***Land Use Decisions.*** Minimize adverse impacts on adjacent properties when considering land use and zoning requests.	The PUD is consistent with the TOP and surrounding commercial and multiple family residential.
LUE Policy 2-2	***Buffers.*** Mitigation or buffers between existing uses where potential adverse impacts could occur. Additional mitigation is required when new uses could negatively impact environmental justice areas.	The PUD provides privacy buffers with decorative masonry walls, landscaping and setbacks.

2.2.2 HOUSING ELEMENT

Relevant Ontario Plan Housing Element ("HE") Goals & Policies are described below

Goal/Policy	Housing Element Goal/Policy	Discussion
HE Goal 1	***Neighborhoods & Housing Development Standards.*** Stable neighborhoods of quality housing, ample community services and public facilities, well -maintained infrastructure, and public safety that foster a positive sense of identity.	The PUD will ensure that adequate public services, infrastructure, open space, parking and traffic management, pedestrian and bicycle routes, and public safety are provided consistent with the City master plans and neighborhood plans.
HE Goal 2	***Housing Supply & Diversity.*** Diversity of types of quality housing that are affordable to a range of household income levels, accommodate changing demographics, and support and reinforce the economic sustainability of Ontario.	The PUD will add 50 residential units to the City's housing inventory which will include affordable and market rate housing to contribute to the City's economic sustainability.
HE Policy 2.1	***Corridor Housing.*** Revitalize transportation corridors by encouraging the production of higher density residential and mixed-uses that are architecturally, functionally, and aesthetically suited to corridors.	The PUD will contribute to the enhancement of the Holt Boulevard corridor by providing a residential development in front of an existing transit stop to facilitate transportation.
HE Policy 2-5	***Housing Design.*** Architectural excellence Through adherence to City design guidelines, thoughtful site planning, environmentally sustainable practices, and other best practices.	The PUD will ensure the Project's architectural enhancements complement existing surrounding uses.
HE Policy 2-6	Infill Development. Revitalization of neighborhoods through the construction of higher-density residential developments on underutilized residential and commercial sites.	The PUD would permit the redevelopment of a vacant site to achieve a better and more efficient use while addressing the City's goals.

2.2.3 COMMUNITY DESIGN ELEMENT

Relevant Ontario Plan Community Design Element ("CDE") Goals & Policies are described below.

Goal/Policy	General Plan Community Design Element Policy	Discussion
CDE Goal 1	***Image & Identity.*** A dynamic, progressive city containing distinct and complete places that foster a positive sense of identity and belonging among residents, visitors, and businesses.	The PUD will preserve the integrity and character of the Holt Boulevard area.
CDE Goal 2	***Design Quality.*** A high level of design quality resulting in neighborhoods, commercial areas, public spaces, parks, and streetscapes that are attractive, safe, functional, human-scale, and distinct.	The PUD provides an architectural design and landscaping that are consistent with, and promote walkability of, the neighborhood.
CDE Policy 2-1	***Quality Building Design and Architecture.*** Convey visual interest and character through: • Building volume, massing, and height to provide appropriate scale and proportion; • A true architectural style which is carried out in plan, section, and elevation through all aspects of the building and site design and appropriate for its setting; and • Exterior building materials that are articulated, high quality, durable, and appropriate for architectural style.	The PUD is architecturally consistent with the City's design guidelines, incorporating a variety of materials and articulation throughout the residential development, and further enhanced with landscaping.
CDE Policy 2.4	***Urban, Mixed Use, and Transit-oriented Areas.*** Establish Place Types to require mixed use, urban, and transit-oriented areas to be designed and developed as pedestrian oriented areas that are integrated with adjacent neighborhoods and promote a vibrant; comfortable, and functional environment.	The PUD implements the East Holt Boulevard Corridor Place Type by providing residential units among existing mixed use and commercial uses connected with a transit stop for mobility.
CDE Policy 2.9	***Landscape Design.*** Encourage durable, sustainable, and drought-tolerant landscaping materials and designs that enhance the aesthetics of structures, create and define public and private spaces, and provide shade and environmental benefits.	The PUD incorporates landscaping to enhance provide screening of parking areas and enhance the aesthetics of buildings.

Goal/Policy	General Plan Land Use Goal/Policy	Discussion
CDE Policy 2.10	***Parking Areas.*** We require all development to minimize visual impact of surface, structured, and garage parking areas visible from the public realm in an aesthetically pleasing, safe and environmentally sensitive manner. 1. Surface parking: shade trees, pervious surfaces, urban run-off capture and infiltration, and pedestrian paths to guide users through the parking field. 2. Structured parking: facade articulation, screening, appropriate lighting, and landscaping. 3. Garage parking: providing access to single-family residential garages through alley access, recessing garages from the frontage to emphasize front doors or active living spaces.	To the fullest extent possible, parking areas in the PUD area screened from the public view with residential garages and efficient circulation throughout the development to avoid the clutter of parked vehicles and emphasize landscaping and home frontages.
CDE Goal 3	**Urban, Mixed Use, and Transit-Oriented Place Types.** Vibrant urban environments that are organized around intense buildings, pedestrian and transit areas, public plazas, and linkages between and within developments that are conveniently located, visually appealing and safe during all hours.	The PUD is located adjacent to a BRT stop on Holt Boulevard and provides direct pedestrian linkages to the residential component of the Project.
CDE Policy 3,2	***Unique Identity.*** Promote development that heightens the unique character and identity of each Place Type by requiring compatible land uses and land planning, site design, and building design that promotes an active public realm.	The PUD combines residential development amongst existing residential and commercial units to create a unique community where habitants can live, work, and have access to necessities.
CDE Policy 3.5	***Active Frontages.*** We create lively pedestrian streetscapes by requiring primary building, business, and residential entrances, outdoor dining, and storefronts be located on ground floors adjacent to sidewalks or public spaces and designed to maximize safety, comfort, aesthetics, and the intended functionality.	The PUD supports active commercial frontages that will provide pedestrian access along Holt Boulevard.

2.2 . 4 Center City Redevelopment Plan Objectives

The PUD is located within the former Center City Redevelopment Project Area. Although the redevelopment project area no longer exists, the City continues to recognize the goals and objectives of the Center City Redevelopment Plan and support projects that achieve its vision. The following objectives have been identified from the Redevelopment Plan pertaining to the Planned Unit Development:

- Create a healthy and exciting urban variety, the ability to work, live, shop and play within a small area, combine daytime and nighttime use, and conserve energy and resources through mixed-use land development;
- Create an attractive and pleasant environment in the Project Area through the use of proper design, open space, and other amenities to enhance the aesthetic quality;
- Encourage and facilitate medium and high-density development, including, but not limited to, condominiums, townhouses, apartments, and similar compatible uses;
- Maximize the housing opportunities of the residential areas; and
- Provide improvements necessary for the elimination of blight, and provide for the orderly development of commercial, industrial, and residential areas within the redevelopment project area.

The Center City Redevelopment Project Area Plan envisioned revitalization of the City's downtown area, in part, by infusing high-density residential and mixed-use developments into the downtown core. The Ontario Plan was established to further this vision and is intended to create an intensive mixture of retail, office, and residential uses in a pedestrian-friendly atmosphere, ensure the historic character of the district is enhanced, and concentrate the most intense/dense development along Euclid Avenue and Holt Boulevard.

2.3 City Council Goals

The PUD is consistent with the City Council's goals to:

- Invest in the growth and evolution of the City's economy; and
- Focus resources in Ontario's commercial and residential neighborhoods.

2.4 Implementation & Objectives

The Ontario Mixed Use PUD implement The Ontario Plan through the development of multiple-family residences along a major corridor of the City. The PUD's objectives are to:

- Develop high quality multiple-family housing;
- Provide a residential infill project that function with the surrounding area;

• Provide new housing designed for families with children by providing both indoor gathering and play areas and outdoor recreation areas; and

• Provide areas of private and passive open space, including private entry patios for each residential unit and outdoor recreation area.

SECTION 3 LAND USE PLAN

3.1 Land Use Designation

The Project site is located within the Mixed Use- Holt Boulevard Area land use designation (General Plan) and the MU-6 (East Holt Mixed-Use) zoning district. The MU-6 zoning district is established to accommodate the intensification of the Holt Boulevard Corridor with low-rise buildings (up to 5 stories) housing a mixture of retail and office uses at a development intensity of up to 1.0 FAR for retail uses and 2.0 FAR for office uses, and residential uses at a density of 14 to 40 dwelling units per acre. Development projects within the MU-6 zoning district are intended to create identity and place along the Holt Boulevard Corridor and provide a connection between the Downtown Mixed-Use Area and the Ontario Airport Metro Center.

Consistent with the intent of the Mixed Use- Holt Boulevard Area and the MU-6 zoning district, the project site is designated for Multiple-Family Residential (MFR).

3. 2 Permitted Uses

Refer to Division 5.02 (“General Land Use Provisions”) and 5.03 (“Supplemental Land Use Regulations”) of the Ontario Development Code for permitted, conditionally permitted and prohibited land uses.

SECTION 4 DEVELOPMENT REGULATIONS

4.1 Residential Density

Residential density shall range from 14 to 40 dwelling units per acre, consistent with the MU-6 (East Holt Mixed-Use) zoning district. This development will have 24 dwelling units per acre.

4.2 Building Height

No residential structure shall exceed 37 feet in height, except that the maximum height may be exceeded by roof-mounted equipment, architectural projections, chimneys, elevator towers, parapet walls, and any other roof top structures, by up to 10% of the allowed building height. No rooftop equipment shall be visible from anywhere on the project site, public streets, or adjacent properties, and shall be fully screened with appropriate architectural parapet walls or appropriate roof treatments. Roof mounted equipment shall not exceed the height of the structures and appurtenances used to screen the equipment.

4.3 Building Setbacks

Building setbacks shall be set forth in Table 4.1 (Building Setbacks) and shall comply with Table 4.1.

TABLE 4.1: BUILDING SETBACKS

Minimum Setback	
South - Holt Boulevard	10’0”
East - Imperial Avenue	5’0”
North - Rear	5’8”
West - Interior Side	15’8”
Garage to Garage - Entry to Entry	30’0”
Garage to Garage - Entry to Side	30’0”

All setbacks shall be measured from the ultimate property lines. Placement of buildings, structures, fences, walls, utility facilities, yards, etc. will be based on the street right-of-way and property line dimensions. Allowable encroachments in yards include (maximum 6-foot high) property line fences and gates, landscaping, paving, public utilities, and trash enclosures.

4.4 Open Space

Open space shall be required for the multiple family residences. Open space shall be provided for passive and active recreation opportunities within the project site. Two types of open space are required: private open space and common open space. These open space areas are for the use of the on-site residents and their guests. Required minimum street setback areas are not counted towards common open space requirements.

4.4.1 Private Open Space

Private open space shall be provided for all residential units. Types of areas considered private open space include balconies, decks, and enclosed patios and yards. Residential units shall have a minimum contiguous clear area of 60 square feet and a minimum clear horizontal dimension of 7 feet.

4.4.2 Common Open Space

Common open space shall be provided to allow for both passive and active types of recreation, along with site landscape amenities. These areas are for use by residents and their guests and may include indoor recreational facilities. Areas not considered common open space include parking lots, walkways, street setback areas, and other areas not intended for active or passive recreation. The amount of required common open space is based on the number of dwellings developed and shall be provided at the rate of 250 square feet of common open space for each dwelling unit. Site amenities may include an indoor fitness room, daycare, movie room, billiards, office/workspace,

pools, spas, and barbeques or any similar amenity as approved by the Planning Director. Additionally, the project site is located within the 65-70 dB CNEL Noise Impact Zone of the Ontario International Airport Land Use Compatibility Plan. This plan restricts land uses within the Noise Impact Zones; however, multi-family residential land uses with a density greater than 8 dwelling units per acre are acceptable, provided that the structure is capable of attenuating exterior noise from all noise sources to an indoor CNEL of 45 dB or less. Furthermore, any proposed major or minor common space/recreational facilities must be incorporated indoors to comply with these noise attenuation requirements.

4.5 Landscaping & Irrigation Plan

A conceptual landscape plan and preliminary drainage plan shall be submitted with the development plan for the project. The plan shall specify all landscape and hardscape elements for the development plan site. Detailed landscape and irrigation plans shall be required prior to issuance of building permits. The detailed plans shall show location of ground-mounted utility boxes and equipment, along with the methods of screening for these items from the public right-of-way and adjacent residences where possible. The landscape and irrigation plan shall be designed with water conservation in mind, utilizing "California friendly" species and drought tolerant planting materials. The landscaping and irrigation shall comply with AB 1881, and all other laws the regulations related to planting materials.

EXHIBIT 4.1 LANDSAPE PLAN



4.6 Equipment Screening

All roof-mounted and ground-mounted equipment shall be fully screened from view of the public street and adjacent developments. The location of equipment shall be designed to allow screening with landscape materials, walls, architectural features, parapet walls, etc. Screening shall be designed to be integrated into the design of the Project.

4.7 Fences & Walls

Fences and walls shall be made of decorative materials which are compatible with the overall architectural character of the development. All fences and walls shall be in scale with the development to fulfill such needs as screening and security. Fences, walls, and hedges within the project area shall comply with Engineering Corner Sight Distance Standards and other applicable standards. All decorative walls, monuments and/or other similar features shall not encroach into the public street right of-way. Within the project area, fences and walls shall not exceed 6 feet in height within any front or street-adjacent side yard area. Interior or rear walls shall be a maximum of 6 feet in height, consistent with the Ontario Development Code requirements for walls and fences in residential zoning districts (refer to Development Code Section 6.02.020 (Design Standards for Residential Zoning Districts)).

Trash enclosures shall include plant and building materials compatible with the project design so that it is well integrated and hidden within the project area.

SECTION 5 PARKING AND CIRCULATION

5.1 Site Accessibility

The site shall be designed to promote the safety of residents. This can be achieved through building orientation and placement to minimize the use of gates and fencing. The Project would be accessed by a single driveway from Holt Boulevard and a driveway at the rear of the property on Imperial Avenue for residents. Imperial Avenue and the proposed driveway onto Holt Boulevard shall be restricted to right-in/right-out access only once the West Valley Connector Project raised median is constructed along Holt Boulevard.

5.2 Vehicle Circulation

The location of the drive aisle on Holt Boulevard and Imperial Avenue shall be approved by the City Engineer.

5.3 Pedestrian Circulation

Site design must provide for safe pedestrian circulation by separating the pedestrian areas from the vehicular access. Walking paths are provided along the boundaries of the Property.

5.4 Access to Mass Transit

Holt Boulevard is along the Bus Rapid Transit (BRT) Corridor. The westbound line (Omnitrans 61) has a bus stop in front of the Project site on East Holt Boulevard.

5.5 Public Right - of - Way Improvements

Required public right-of-way improvement shall be consistent with the City's General Plan and Municipal Code. Public right-of-way improvements include, but are not limited to, the following: street pavement, curb and gutter, parkway landscaping, parkway irrigation, raised landscape median with irrigation on Holt Boulevard, public sidewalks, traffic signage and striping, streetlights, bus stop, bus shelter, and amenities. At a minimum, the improvements shall incorporate all items along the street frontage to be developed with proper transitioning if the entire block frontage is not being installed simultaneously.

5.6 Infrastructure

Water service for the site will be provided by utilizing the existing water lines under Imperial Avenue. Sewer connections from the PUD project site will also connect to existing lines in Holt Boulevard. Onsite storm water drainage facilities shall be provided to capture and infiltrate a 2-year, 1-hour storm event, consistent with the San Bernardino County Stormwater Program's Water Quality Management Plan (WQMP) requirements for new development projects. Stormwater capture and infiltration facilities may include the utilization of vegetated swales, depressed landscaped basins, pervious concrete pavement, or underground stormwater retention/infiltration vaults. All building roof and paved area runoff shall be directed into depressed landscaped swales, trenches or basins, within the development to comply with the requirement to capture and infiltrate the 2-year, 1-hour storm event runoff. All proposed Development Plans are required to prepare a Preliminary Water Quality Management Plan.

5.7 Parking Requirements

Parking shall be provided in accordance with the Ontario Development Code, Division 6.03 – Off-Street Parking and Loading. The PUD enforces the multi-family parking standards as set forth in Table 6.03-1: Off-Street Parking Requirements. On-street parking may be permitted on Imperial Avenue; however, Imperial Avenue is a public street and will not be designated for guest parking. On-street parking shall not be counted toward required on-site parking as specified in Division 6.03.

5.7.1 Parking Standards

All parking space size and location requirements shall conform to the standards set forth in Section 6.03.045 (Off-street Parking Standards) of the Ontario Development Code.

SECTION 6 DESIGN GUIDELINES

6.1 Building Orientation & Streetscapes

Building orientation shall be designed to minimize noise impacts, aid in providing site safety, create proper accessibility to commercial and residential unit entries, garages, and surface parking.

6.2 Architectural Character

The PUD allows for a modern interpretation of the Spanish Colonial style. Where this style is used, designs shall incorporate varied rooflines composed of gabled forms with S-profile terracotta tiles, complemented by simple eave detailing and occasional shed roof projections. Building exteriors shall feature neutral-toned stucco walls accented with wood siding and dark metal elements to create contrast. Windows shall be recessed, and decorative light fixtures shall be consistent with the Spanish Colonial character.

6.3 Architectural Details

Architectural details shall complement and enhance building openings and accentuate the overall design of the structure. Such details shall be achieved through the use of varied colors and materials to create visually interesting exterior elevations. Windows shall remain clear and free of dark tint.

6.4 Materials and Color

Materials and color scheme shall be compatible with, and complementary to, the overall style of the Project. All buildings on-site will utilize a combination of light and dark colors to break up the building planes. A minimum of three material changes shall be required and windows shall have substantial recess from the building wall face.

6.5 On-site Lighting

Decorative light fixtures attached to the buildings shall be compatible with the architectural style of the buildings. All other on-site lighting shall meet the development standards of the Ontario Development Code.

6. 6 Signage

Project signage shall comply with Division 8.01 (Sign Regulations) of the Ontario Development Code.

6.7 Off-site Improvements

All off-site improvements shall be installed in accordance with City standards, and to the satisfaction of the City Engineering Department.

SECTION 7 ADMINISTRATION

7.1 Items Not Addressed in the PUD

Any terms, requirements, or regulations not addressed within this Planned Unit Development document shall be governed by the City of Ontario Development Code, the regulations of the General Mixed-Use zones, and City standards.

7.2 Development Applications

Development Plan approval, pursuant to the requirements of Ontario Development Code Section 4.02.025 (Development Plans), shall be required for the physical alteration of lots, the construction of a building, or the addition or significant alteration of an existing building. A development plan application shall be submitted to the Planning Department on a City application form pursuant to the requirements of Ontario Development Code Division 2.02 (Application Filing and Processing), commencing with Subsection B (Discretionary Permits and Actions) of Section 2.02.015 (Application Processing Procedures).

7.3 Administrative Exceptions

Deviation from the development standards set forth in this document may be granted up to a maximum of 10 percent by the Zoning Administrator. Any deviation that is greater than 10 percent shall require variance approval.

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Jay Bautista Department: Public Works Prepared By: Craig Cruz Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Khoi Do, Bonnie Tam, Andrea Ampig Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 7

SUBJECT: **AN ORDINANCE AMENDING SECTION 4-6.1305 OF THE ONTARIO MUNICIPAL CODE RELATING TO PERMIT PARKING ZONES ON RESIDENTIAL STREETS**

RECOMMENDATION: That the City Council adopt an Ordinance amending Section 4-6.1305 of the Ontario Municipal Code relating to permit parking zones on residential streets.

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

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

BACKGROUND & ANALYSIS: On September 2, 2025, the City Council introduced an ordinance amending Section 4-6.1305 under Article 13 Chapter 6 Title 4 of the Municipal Code.

On February 19, 1980, the City Council adopted an ordinance establishing permit parking zones on residential streets. Under the current ordinance language, adjacent residences are eligible to obtain parking permits. An adjacent residence is defined as a residential dwelling unit fronting upon or having direct access to a residential street. As a result, residential units located near, but outside of, the designated permit parking zone may still qualify for permits.

The proposed Amendment would clarify the eligibility by specifying that only residences located within the boundaries of an established permit parking zone may obtain residential parking permits. This revision is intended to:

- Refine who qualifies for a parking permit;
- Align permit eligibility strictly with zone boundaries; and
- Help ensure that available on-street parking in permit zones is prioritized for residents who live within them

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTION 4-6.1305 OF THE ONTARIO MUNICIPAL CODE RELATING TO PERMIT PARKING ZONES ON RESIDENTIAL STREETS.

WHEREAS, the Ontario Municipal Code currently contains provisions regulating permit parking zones on residential streets; and

WHEREAS, the City Council desires to revise the language to eliminate confusion surrounding resident vehicle parking, prevent nonresident and cross-zone parking, and otherwise make the permit parking zones more specific to the residences within the permit parking zones; and

WHEREAS, pursuant to Article XI, Section 7 of the California Constitution, the City has broad discretionary power to make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, this Ordinance amends Section 4-6.1305 to be more specific to which residences are within a permit parking zone and to otherwise update the section.

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

SECTION 1. Findings. The above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. Section 4-6.1305 of Chapter 6 (Traffic) of Title 4 (Public Safety) of the Ontario Municipal Code is hereby amended in its entirety to read as follows:

"Sec. 4-6.1305. Permit parking zones on residential streets

(a) Definitions. For the purposes of this section, unless otherwise apparent from the context, certain words, terms, and phrases used in this section are defined as follows:

(1) "Cross-zone parking" shall mean the parking or standing of any vehicle in a permit parking zone using a permit that was issued for a different permit parking zone, which is prohibited under this section to ensure exclusive use by residents of dwelling units within the specific zone.

(2) "Dwelling unit" shall mean a house, apartment, condominium, mobile home or other type of residence providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.

(3) “Motor vehicle” or “vehicle” shall mean an automobile, truck, recreation vehicle, motorcycle or other motor-driven or self-propelled form of transportation.

(4) “Nonresident vehicle” shall mean any motor vehicle parked in a zone that does not display a valid permit issued specifically for that zone and is otherwise not a “resident vehicle” as defined herein.

(5) “Permit parking zone” or “zone” shall mean a permit parking zone for the exclusive benefit of residents of dwelling units within that zone and their resident vehicles, in which zone vehicles may not park unless an authorized zone-specific permit is displayed thereon or unless such vehicle is otherwise exempt as provided in this section.

(6) “Resident” shall mean a person owning, leasing, or residing in a dwelling unit within a permit parking zone.

(7) “Resident vehicle” shall mean a motor vehicle parked in a zone that is registered with a state motor vehicle department to a resident of a dwelling unit within that specific permit parking zone and displaying a valid permit issued for that zone.

(b) Designation of permit parking zones. The City Council, by resolution, may designate a permit parking zone and establish the days and hours during such days when parking in such permit parking zone shall be restricted.

(c) Findings. Prior to designating certain residential streets, or portions thereof, as a permit parking zone, the City Council shall find:

(1) That such zone is necessary to provide reasonably available and convenient parking for residents of dwelling units within the zone;

(2) That the proposed zone is desirable to encourage the use of car-pooling;

(3) That the proposed zone is desirable to enhance or protect the quality of life in the area of the proposed zone, preventing cross-zone and nonresident parking; and

(4) That the proposed zone will tend to encourage nonresident vehicles to park in off-street parking facilities.

(d) Considerations. Before making its findings with respect to any proposed permit parking zone, the City Council shall consider such factors as it deems appropriate, including the following:

(1) Whether nonresident vehicles substantially and regularly interfere (or may interfere) with residents’ use of a majority of available public street parking spaces in the proposed permit parking zone, including whether such interference occurs at regular and significant intervals;

(2) Whether nonresident vehicles driven or parked in the proposed permit parking zone are a source of unreasonable litter, noise, traffic hazards, environmental pollution, or devaluation of real property in the area of the proposed permit parking zone;

(3) Whether the residents of dwelling units in the proposed permit parking zone desire its establishment;

(4) Whether a shortage of residential-related parking spaces exists in the area of the proposed permit parking zone, including due to cross-zone parking; and

(5) Whether an alternative solution is feasible or practical.

(e) Posting required. The City Traffic Engineer shall designate established permit parking zones by placing and maintaining appropriate signs indicating that parking is prohibited for vehicles without a zone-specific permit and the hours and days when such parking is prohibited.

During the hours and on the days designated on such signs, it shall be unlawful for the operator of any vehicle to park such vehicle on any street in a permit parking zone unless there is displayed on such vehicle a valid permit issued for such zone or such vehicle is otherwise exempt.

(f) Parking permits. Permits, of a type and design established by resolution of the City Council authorizing parking only in the permit parking zone for which issued, shall be issued by the License Official.

(1) Upon submitting such application and supplying such proof of residence as is required by the License Official, the License Official shall issue up to three resident permits upon payment of the of the applicable fee to a dwelling unit within a zone for motor vehicles that are either registered in a resident's name, or otherwise under his or her exclusive control, as demonstrated by insurance or other documentation. No more than one parking permit shall be issued to each motor vehicle for which application is made. The License Official may issue more than three (3) parking permits for a dwelling unit in the zone if it is shown, by proof satisfactory to the License Official, that there are more than three (3) vehicles registered to residents of the dwelling unit and that insufficient off-street parking is available to them during the restricted hours. Permits are valid only in the issued zone and not transferrable to other zones.

(2) A permit issued pursuant to this section shall remain valid for so long as the person to whom it was issued continues to reside in the dwelling unit within the zone for which the permit was issued or until the permit parking zone for which such permit was issued is disestablished.

(3) It shall be unlawful for any person to whom a permit is issued to transfer, sell, rent, or lease such permit, or to allow such permit to be used on a nonresident vehicle, either with or without consideration. The License Official shall revoke the parking permit of any person who is convicted of a violation of this subsection.

(4) It shall be unlawful for any person to pay any consideration for the purchase or use of a parking permit issued pursuant to this section. It shall be unlawful for any person who is not a resident of a dwelling unit within a specific zone to display in a vehicle any parking permit issued pursuant to this section, except that a resident may allow visitors to their dwelling unit to temporarily use one or more of the resident's allotted permits for parking within the zone, subject to the restrictions in subsection (f)(3) of this section. Otherwise, visitors must park on driveways or off-street parking facilities.

(g) Exempt vehicles. The posted restrictions of a permit parking zone shall not apply to:

(i) Commercial vehicles while making pickups, deliveries, or service calls from or to any building or structure located within the zone, or for the purpose of delivering materials to be used in the actual and bona fide repair, alteration, remodeling, or construction of any building or structure within the zone for which a building permit has been previously obtained.

(ii) (Vehicles displaying a valid distinguishing placard or special license plates issued to disabled persons or disabled veterans pursuant to Vehicle Code Sections 22511.55, 22511.59, or 5007, as provided in Vehicle Code Section 22511.5, except where parking is prohibited for reasons of public safety, such as in red zones, fire lanes, or areas that obstruct traffic.

(h) Disestablishment. The City Council, by resolution, may disestablish or modify a permit parking zone whenever the City Council finds that it is in the public interest to do so.

(i) Penalties. Law enforcement officers, City code enforcement officers, and other persons authorized by State law are hereby authorized and directed to issue citations to any person who violates this section, and such citation shall be deemed to be a civil complaint charging violations of this section and requiring payment of the penalty set forth therein. The method of giving notice of citation for unattended vehicles shall be as specified in Section 40202 of the California Vehicle Code or any successor provision thereto. Violations of this section shall be processed as civil penalties in accordance with California Vehicle Code Sections 40200 *et seq*., or any successor provision thereto."

SECTION 3. CEQA. The City Council finds that adoption of this Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15358 (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Moreover, the City Council finds that this Ordinance is also exempt under CEQA pursuant to Guidelines Section 15061(b)(3) (there exists no possibility that the activity will have a significant adverse effect on the environment).

SECTION 4. Severability. If any section, sentence, clause, or phrase of this Ordinance of the application thereof to any entity, person, or circumstance is held for any reason to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect other provisions or applications of the 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 by declared invalid or unconstitutional.

SECTION 5. Effective Date. This Ordinance shall become effective thirty (30) days after its adoption by the City Council.

SECTION 6. Certification. 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.

PASSED, APPROVED, AND ADOPTED this 7th day of October 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. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held September 16, 2025 and adopted at the regular meeting held October 7, 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. _____ duly passed and adopted by the Ontario City Council at their regular meeting held October 7, 2025 and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Financial Services Prepared By: Cruz Torres Department: Prepared By: Cruz Torres Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Reviewed By: Claudia Hernandez Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 8

SUBJECT: **A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT WITH REMINGTON APG LLC REGARDING COMMUNITY FACILITIES DISTRICT NO. 74 (REMINGTON APG LLC SERVICES) FOR ASSESSOR PARCEL NUMBER 1073-151-21 FOR FEE IN-LIEU**

RECOMMENDATION: That the City Council:

A. Adopt a Resolution approving an agreement regarding Community Facilities District No. 74 (Remington APG LLC Services) for Assessor Parcel Number 1073-151-21 for Fee In-Lieu Agreement between the City of Ontario and Remington APG LLC (Developer); and
B. Authorize the City Manager, or his designee, to finalize, execute, and record said Agreement.

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 Agreement will allow the City to collect $16,425 from the Developer in-lieu of the levy of the community facilities district special taxes for Fiscal Year 2025-26 since the formation of Community Facilities District No. 74 (Remington APG LLC Services) was not formed by the deadline to place the levy on the annual tax roll. The Fiscal Year 2025-26 Adopted Budget includes special tax revenues in the Ontario Ranch CFDs to pay for administrative fees and municipal services.

BACKGROUND & ANALYSIS: On July 5, 2022, the City and Remington APG LLC (Developer), entered into that certain Development Agreement (File No. PDA21-007) (Development Agreement). Pursuant to Section 5.1 of the Development Agreement, the Developer must form a community facilities district (CFD) which consists of the property, pursuant to the Mello-Roos Community

Facilities Act of 1982 (commencing with Government Code Section 53311) prior to recordation of any parcel map and issuance of building permits. The Developer initiated the formation of a community facilities district known as Community Facilities District No. 74 (Remington APG LLC Services), and on July 15, 2025, the City did establish the CFD, relating to the development of and to include Assessor Parcel Number 1073-151-21 (the property), however the CFD was not formed in time to meet the County of San Bernardino's deadline to place the levy of the CFD special taxes on the annual tax roll for Fiscal Year 2025-26.

The City and Developer desire to enter into this Agreement, which requires that the Developer pay the City an amount equal to what otherwise would have been the special tax levy amount on permitted parcels in the CFD for the Fiscal Year 2025-26 levy period, since the CFD was not formed by August 10, 2025.

The attached Resolution approves the Agreement and authorizes its execution by the City Manager or either of his designees.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT REGARDING ASSESSOR PARCEL NUMBER 1073-151-21 FOR FEE IN-LIEU BETWEEN THE CITY OF ONTARIO AND REMINGTON APG LLC.

WHEREAS, the Owner petitioned the City to establish a community facilities district known as City of Ontario Community Facilities District No. 74 (Remington APG LLC Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982 (commencing with Government Code Section 53311), and, on July 15, 2025, the City did establish the CFD relating to the development of and to include Assessor Parcel Number 1073-151-21 (the "Property"); and

WHEREAS, the CFD was not formed in time to meet the County of San Bernardino's deadline to place the levy of the CFD special taxes on the annual tax roll for Fiscal Year 2025-26; and

WHEREAS, the City and the owner of the Property ("Owner") now desire to enter into that certain Fee In-Lieu Agreement, the form of which is attached hereto as Exhibit "A" and incorporated herein (the "Agreement"), relating to the payment by Owner of an amount in-lieu of the levy of special taxes by the CFD for Fiscal Year 2025-26.

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

SECTION 1. Recitals. The above recitals are true and correct and the City Council of the City (the "City Council") so finds and determines.

SECTION 2. Approval of Agreement. The Agreement is hereby approved by the City Council in substantially the form presented at this meeting, and attached hereto as Exhibit A, with such insertions, omissions and changes as shall be approved by the City Manager, Assistant City Manager, or either of their designees (the "Authorized Officers"), the execution of the Agreement being conclusive evidence of such approval. The execution and delivery of the Agreement is hereby confirmed and ratified. The Authorized Officers are hereby directed and authorized to execute and to take all other necessary actions to effectuate the transaction contemplated by this Resolution.

SECTION 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption. The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 7th day of October, 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 October 7, 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 October 7, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A
IN-LIEU AGREEMENT
[attached]

FEE IN-LIEU AGREEMENT
FOR ASSESSOR PARCEL NUMBER 1073-151-21

This Fee In-Lieu Agreement for Assessor Parcel Number 1073-151-21 (the "Agreement") is entered into as of September __, 2025 (the "Effective Date"), by and between the City of Ontario, a municipal corporation organized under the laws of the State of California ("City") and Remington APG LLC, a Delaware limited liability company ("Owner"). The City and Owner are sometimes individually referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the Owner petitioned the City to establish a community facilities district known as City of Ontario Community Facilities District No. 74 (Remington APG LLC Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982 (commencing with Government Code Section 53311), and, on July 15, 2025, the City did establish the CFD, relating to the development of and to include Assessor Parcel Number 1073-151-21 (the "Property"); and

WHEREAS, the CFD was not formed in time to meet the County of San Bernardino's deadline to place the levy of the CFD special taxes on the annual tax roll for Fiscal Year 2025-26; and

WHEREAS, the Parties now desire to enter into this Agreement for the payment by Owner of an amount in-lieu of the levy of the CFD special taxes for Fiscal Year 2025-26.

NOW THEREFORE, in consideration of the mutual promises contained herein (and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged), the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The above recitals are true and correct, and are incorporated herein by this reference.

2. Fee In-Lieu. Because the CFD was not formed in time to levy the CFD special taxes on the Property for Fiscal Year 2025-26, Owner agrees to pay to the City what otherwise would have been the CFD special tax amount levied on the property for the Fiscal Year 2025-26 levy period (the "Fee"), by no later than the date of execution of this Agreement, which has been calculated to be the amount of $16,424.92. Owner shall pay the Fee in two equal, separate installments, in immediately available funds, either by check or by wire transfer. The first installment of the Fee, in the amount of $8,212.46, shall be payable and due to the City on December 10, 2025. The second installment of the Fee, in the amount of $8,212.46, shall be payable and due to the City on April 10, 2026. The total outstanding amount of the Fee, however, may be paid in full by Owner on any day prior to April 10, 2026.

3. Release and Indemnification. Owner hereby releases and shall defend, indemnify, and hold the City (its officials, officers, employees, and agents) free and harmless from any and all liability (including without limitation the payment of attorneys' fees, loss, damage, costs, or injury to property or persons including wrongful death) in any manner arising out of or incident to formation of the CFD, development of the Property, and Owner's performance of this Agreement. Further, Owner shall

defend at its own expense (including attorneys' fees) the City (its officials, officers, employees, and agents) in any legal action based upon this Section.

4. Headings. Section headings contained in this Agreement are for convenience only and shall not have an effect in the construction or interpretation of any provision.

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

CITY:	City of Ontario Attn: Scott Ochoa, City Manager 303 East "B" Street Ontario, CA 91764
With a copy to:	Ruben Duran, Esquire City Attorney Best Best & Krieger LLP 2855 E. Guasti Road, Suite 400 Ontario, CA 91761 Ruben.duran@bbklaw.com
OWNER:	Remington APG LLC c/o Alere Property Group LLC 100 Bayview Circle, Suite 6000 Newport Beach, CA 92660 Attention: Douglas McGilvray

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

7. Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the successors and assigns of the Parties.

8. Waiver. A Party's failure to insist upon strict compliance with any provision of this Agreement or to exercise any right or privilege provided herein (or the Party's silence with respect to any breach by the other Party hereunder) shall not relieve the breaching Party of any of its obligations hereunder (whether of the same or similar type). The foregoing shall be true whether the non-breaching Party's actions are intentional or unintentional. No waiver shall be effective unless in writing and signed by the Party against whom waiver is asserted.

9. Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Bernardino County.

10. Severability. Should any provision of this Agreement be found to be invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

11. Time. Time is of the essence in this Agreement.

12. Counterparts. This Agreement may be signed in several counterparts, each of which shall constitute an original and all of which shall constitute but one of the same instrument.

(signature page follows)

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed by their duly-authorized representatives as of the Effective Date.

CITY OF ONTARIO

By:_____
Scott Ochoa, City Manager

Attest

By:_____
Sheila Mautz, City Clerk

Approved as to Form:

By:_____
Best Best & Krieger, City Attorney

REMINGTON APG LLC,
a Delaware limited liability company

By:_____
Douglas McGilvray,
Chief Operating Officer

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Financial Services Prepared By: Matthew Hernandez Department: Prepared By: Matthew Hernandez 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: 9

SUBJECT: **A RESOLUTION RELATING TO REMOVING THE USE OF SUCCESSOR AGENCY FUNDS (FORMERLY REDEVELOPMENT AGENCY) FROM RESOLUTION NO. 2007-023**

RECOMMENDATION: That the City Council remove Section 7, Section 8, and Section 9 from prior Resolution No. 2007-023.

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
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.

BACKGROUND & ANALYSIS: The City uses the DIF Program in accordance with Ordinance Nos. 2779 and 2780 to collect DIF from Developers to fund public infrastructure identified in The Ontario Plan ("TOP 2050") necessary for future Residential and Non-Residential projects. The fees collected are based on legally required studies to estimate the cost of these projects to allow the City to construct necessary infrastructure without impacting the current residents service. The study and its fees are updated from time to time to ensure that the City does not burden its current operations, nor risk residents' current services.

On February 6, 2007, the City adopted Resolution No. 2007-023 which included language pertaining to the use of the Ontario Redevelopment Agency (RDA) funds in conjunction with the DIF program. The primary purpose of redevelopment entities was to encourage private redevelopment of property and to rehabilitate areas suffering from economic disuse arising from poor and inadequate planning, inadequate street layout and street access, lack of open space, landscaping

and other improvements and facilities necessary to establish and maintain the economic growth of the City. However, redevelopment agencies in California were dissolved as of January 31, 2012, through the Supreme Court decision on Assembly Bill 1X26. As a result, the Ontario RDA became the Successor Agency of the former Ontario Redevelopment Agency (Successor).

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Successor agencies are only allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated. Due to these limitations, Successor Agency funds are no longer available, the City is modifying portions of the Resolution to reflect its current practice.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CLARIFYING RESOLUTION 2025-010 AND TAKING OTHER ACTIONS RELATING THERETO 2007-023 TO REMOVE SECTIONS 7, 8, AND 9 PERTAINING TO REMOVING THE USE OF SUCCESSOR AGENCY FUNDS (FORMERLY REDEVELOPMENT AGENCY).

WHEREAS, the City Council ("City Council" or "Council") of the City of Ontario ("City") periodically adopts ordinances or resolutions establishing new or modifying existing development impact fees (each a "DIF") in accordance with Government Code section 66000 *et seq.*; and

WHEREAS, on February 6, 2007, the Council adopted Resolution No. 2007-023 ("Prior Resolution"), which adopted new or modified existing DIFs, which provided for reduced DIFs for certain types of developments (each a "Reduced DIF"); and

WHEREAS, on March 18, 2025, the Council adopted Resolution No. 2025-010 ("Updated Resolution"), which adopted new or modified existing DIFs and superseded the Prior Resolution to the extent of the conflict; and

WHEREAS, the Council intended that the New Resolution supersede in full any DIF or Reduced DIF set forth in the Prior Resolution; and

WHEREAS, for the sake of clarity, the Council wishes to adopt this Resolution confirming that the New Resolution sets forth the DIF in full, and supersedes all DIF and Reduced DIF set forth in the Prior Resolution or any prior resolution or legislative enactment.

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

SECTION 1. **Recitals.** The City Council finds that all of the foregoing recitals are true and correct and incorporates them herein by this reference.

SECTION 2. **New Resolution.** The City Council finds that the purpose of the New Resolution, as set forth in Section 4 thereof, is to supersede all DIF and Reduced DIF in any prior resolution, including the formula for establishing the Reduced DIF set forth in the Prior Resolution. sale and development of the Property pursuant to the Agreement will further the goals and purposes of the City, and is in the common interest of the City and its residents. Specifically, in addition to other portions of the Prior Resolution setting forth DIF that were superseded by subsequent resolutions, including the New Resolution, the Council hereby confirms that Sections 7 through 9 are superseded and no longer have any force or effect.

SECTION 3. **No Increase**. Because this action clarifies the intent of the Council in adopting the New Resolution, and specifically the impacts of Section 4 thereof, this Resolution does not constitute an increase under Section 66000 *et seq.* of the California Government Code.

SECTION 4. **Severability.** If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City declares that the City would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 5. **Effective Date.** This Resolution shall become effective 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 7th day of October 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 October 7, 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 October 7, 2025 .

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Cynthia Heredia-Torres 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: 10

SUBJECT: **A CHANGE ORDER TO THE CONSTRUCTION CONTRACT WITH OPTIMA RPM, INC. FOR THE DEMOLITION OF THE MISSION MOTEL AT 1514 W. MISSION BOULEVARD FOR THE ONTARIO WELLNESS CAMPUS PROJECT**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Change Order No. 4 to the Construction Contract with Optima RPM, Inc., of Irvine, California, for demolition and site clearance activities on City-owned property located at 1514 W Mission Boulevard (the Mission Motel) for the Ontario Wellness Campus Project in the amount of $753,757 for a total not-to-exceed contract amount of $5,450,726; and
B. Authorize 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.

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

FISCAL IMPACT: The Fiscal Year 2025-26 Adopted Budget includes budget in the Capital Projects-Measure Q Fund for the demolition and site clearance activities for the Mission Motel for the Ontario Wellness Campus Project. The recommended Change Order No. 4 to the Construction Contract with Optima RPM, Inc. is in the amount of $753,757 for a total not-to-exceed contract amount of $5,450,726.

BACKGROUND & ANALYSIS: The Ontario Wellness Campus will serve as the access point to vital services, resources, shelter, and emergency needs for the City. To expand the services the Ontario Wellness Campus provides, the City had previously acquired the Ontario Motor Inn and recently

acquired the Mission Motel which will require demolition to clear the site to accommodate the construction of additional offices and emergency and temporary housing units. Additionally, the Mission Motel's state of disrepair due to building code violations poses an immediate risk to public safety. After assessment, the Ontario Police Department recommends immediate demolition of the motel due to the property being uninhabitable and the growing criminal element in the motel and in the immediate area.

On October 15, 2024, the City Council approved a Construction Contract with Optima RPM, Inc. for the Ontario Motor Inn renovation to accommodate offices and emergency and temporary housing units for the Wellness Campus Project. Change Order No. 4 to the Construction Contract with Optima RPM, Inc. will consist of the demolition and site clearance of the 10,040-square foot Mission Motel.

The scope of the previously approved Ontario Motor Inn renovation project and the demolition of the Mission Motel are comparable and align with the expected project requirements. Optima RPM, Inc’s. expertise and availability make them the ideal choice to handle the demolition and site clearance in a timely and responsible manner. Competitive bidding for this work would be contrary to the public interest because any other firm would be required to incur significant mobilization costs that would be passed on to the City while Optima is already mobilized and can avoid those costs.

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
CHANGE ORDER

Project: D&C24-011 Wellness Campus Access Center Change Order Number: 4

Contract Date: 10/7/24 Change Order Date:

To: Optima RPM Inc – Mohamed Mamoun
17945 Sky Park Circle, Suite D
Irvine, CA 92614
(949) 724-1399

THIS CHANGE ORDER FORM SHALL BE USED FOR ALL CHANGE ORDERS ASSOCIATED WITH THE WORK. NO ADDITIONS OR DELETIONS TO THIS FORM SHALL BE ALLOWED, EXCEPT WITH PERMISSION OF THE CITY OF ONTARIO.

The Contract is changed as follows:

PCCO #	Description	Amount
PCCO #016	Demolition of Existing Motel	$753,756.30
	Total:	**$753,756.30**

Contractor agrees to furnish all labor, materials, equipment and services to perform the Work, modified as described herein, in accordance with the Contract Documents as revised by this Change Order.

NOT VALID UNTIL SIGNED BY OWNER

In consideration of the change(s) described above, the Contract Price is adjusted as follows:

The original Contract Price was	$ 4,098,000
Net change by previously authorized Change Orders	$ 598,969
The Contract Price prior to this Change Order was	$ 4,696,969
The Contract Price will be changed by this Change Order in the amount of	$ 753,757
The new Contract Price including this Change Order will be	$ 5,450,726

In consideration of the change(s) described above, the Contract Time is adjusted as follows:

The Contract Time will be: increased ☒ decreased ☐ unchanged ☐ by 30 Days
The Contract Time prior to this Change Order was 373 Days
The new Contract Time including this Change Order will be 403 Days
Attachments: PCCO #016.

Contractor accepts the terms and conditions stated herein as full and final settlement of any and all claims arising from this Change Order. The adjustments to the Contract Price and Contract Time in this Change Order constitutes the entire compensation and/or adjustment thereto due to Contractor, including direct, indirect, consequential, and overhead (field and home office) costs, due to Contractor arising out of or related to the change in the Work covered by this Change Order. By signing this Change Order, Contractor agrees to accept the amount of the adjustment to the Contract Price, and the adjustment of the Contract Time, as payment in full for all costs, including direct, indirect, consequential, and overhead (field and home office) costs, related to the change in the Work covered by this Change Order.

Accepted:

(Signature) Mohamed Mamoun, President-Treasurer _____ Date

Approved:

(Signature) Tito Haes, Executive Director Public Works _____ Date

Approved:

(Signature) Scott Ochoa, City Manager _____ Date

Pursuant to Section 1, Procedures, of the City of Ontario's Purchasing Policies and Procedures Manual, "Construction change orders up to 75% of the City Council approved contingency amount shall be approved by the Agency Head. Change orders that exceed 75% of the approved contingency shall be signed by the City Manager."

If your Change Order is less than 75% of the City Council approved contingency amount, then indicate "N/A" on the line where the City Manager would sign and have your Agency Head sign only.

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Cynthia Heredia-Torres 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: 11

SUBJECT: **A CONSTRUCTION CONTRACT WITH BOGH CONSTRUCTION, LLC AND AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH ARDURRA GROUP, INC. FOR THE SPORTS EMPIRE OFFSITE IMPROVEMENTS PHASE 2 PROJECT**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to approve the plans and specifications and award Contract No. D&C23-025c Sports Empire Offsite Improvements Phase 2 to Bogh Construction, LLC, of Beaumont, California, for the construction of the D&C23-025c Sports Empire Offsite Improvements Phase 2 Project in the amount of $23,187,700 plus a 15% contingency of $3,478,155, for a total amount of $26,665,855, and
B. Authorize the City Manager, or his designee, to execute Amendment No. 3 to the Design Services Agreement with Ardurra Group, Inc., of Newport Beach, California, to provide on-call design services for the D&C23-025c Sports Empire Offsites Phase 2 Project in the amount of $588,842 for a revised not-to-exceed total amount of $3,046,054, and
C. Authorize the extension of working hours to be Monday through Saturday from 6:00 am to 11:00 pm and on Sunday from 8:00 am to 6:00 pm for the duration of the construction of the Sports Complex Offsite Improvements Project (Phase 1 and 2); and
D. Authorize 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.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
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 Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Projects-Measure Q Fund, Water Capital Fund, and Sewer Capital Fund for the Sports Empire Offsite

Improvements Phase 2 Project. The proposed contract award to Bogh Construction, LLC is in the amount of $23,187,700 plus a 15% contingency of $3,478,155 for a total not-to-exceed contract amount of $26,665,855 for the construction of the Sports Complex Offsite Improvements Phase 2 project. The proposed Amendment No. 3 to the Design Services Agreement with Ardurra Group, Inc. is in the amount of $588,842 for a total not-to-exceed contract amount of $3,046,054 for on-call design services for the Sports Complex Offsite Improvements Phase 2 Project.

BACKGROUND & ANALYSIS: The Ontario Sports Empire is a transformative development in the Ontario Ranch area that will feature a wide range of recreational and community amenities. Amenities will include a professional baseball stadium, which is currently under construction, along with soccer, baseball, and softball fields, football fields, and retail facilities.

To support this major investment in an underdeveloped area, improvements to the City's infrastructure are required. These improvements include widening of streets, installation of potable and recycled water systems, storm drain facilities, and other utility upgrades necessary to serve both the Ontario Sports Empire and the surrounding community.

The D&C23-025c Sports Empire Offsite Improvements Phase 2 project consists of critical street and utility improvements along Chino Avenue and Vineyard Avenue. The scope of work includes signing and striping, erosion control measures, roadway improvements, storm drain, installation of recycled and potable water systems, traffic signal upgrades, new street lighting, fiber optic infrastructure, and landscape enhancements. These improvements are essential to fully integrating the Ontario Sports Empire into the existing utility systems while providing safe and reliable infrastructure.

Construction Contract for the Sports Empire Offsite Improvements Phase 2 Project

On August 28, 2025, five bids were received for Bid No. 1939 D&C23-025c Sports Complex Offsite Improvements Phase 2. The bids ranged from a low bid amount of $23,187,700 to a high bid amount of $37,667,909. The bids are summarized below:

Bidder	Location	Amount
Bogh Construction, LLC	Beaumont, CA	$23,187,700
Granite Construction Company	Indio, CA	$25,475,000
Plyco Corporation	Jurupa Valley, CA	$36,247,000
Nationwide Contracting Services, Inc.	Huntington Beach, CA	$37,372,836
Griffith Company	Brea, CA	$37,667,909

Staff reviewed each bid, evaluating the company's qualifications and responsiveness to the bid requirements. Staff recommends the award to Bogh Construction, LLC, of Beaumont, California, for Construction Contract D&C23-025c Sports Complex Offsite Improvements Phase 2 based on their expertise, pricing, references, the ability to perform the work in a timely manner, and successful completion of this type of work in the past.

A protest was received from Nationwide Contracting Services, Inc. City staff denied the protest because the protest was meritless.

Design Services for the Sports Empire Offsite Improvements Phase 2 Project

On November 19, 2024, the City Council approved Amendment No. 2 to the Design Services Agreement with Ardurra Group, Inc. which included design work for the Sewer Improvement Project at Vineyard Avenue in conjunction with the Sports Empire Offsite Improvements Phase 1 Project. The proposed Amendment No. 3 to the Design Services Agreement with Ardurra Group, Inc. includes additional construction inspection and plan preparation services for the Sports Empire Offsite Improvements Phase 2 Project.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
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PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 3 TO THE DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ARDURRA GROUP, INC.

1. Parties and Date.

This Amendment No. 3 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and **Ardurra Group, Inc.**, a Corporation ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Consultant have entered into an agreement entitled "Design Services Agreement" dated June 4, 2024 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to revise the scope of services for the Sports Complex Offsite Improvements project and increase the compensation amount by $588,842 for a total contract amount not-to-exceed $3,046,054. The Parties have heretofore entered into that Amendment No. 1 dated July 16, 2024, and Amendment No. 2 dated November 19, 2024.

2.3 Amendment Authority. This Amendment No. 3 is authorized pursuant to Section 3.37 of the Agreement.

3. Terms.

3.1 Amendment. Section 3.1.1 and 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. Additionally, Consultant shall comply with all Federal requirements applicable to the Services as set forth in Exhibit A."

3.10.1 Consultant's Compensation for Basic Services. City shall pay to Consultant, for the performance of all Services rendered under this Agreement, the total not to exceed amount of **Three Million Forty-Six Thousand and Fifty-Four Dollars ($3,046,054)** ("Total Compensation"). This Total Compensation amount shall be based upon, and may be adjusted according to, the fee schedule and related terms and conditions attached hereto as Exhibit "B" and incorporated herein by reference. The Total Compensation, as may be adjusted upon mutual agreement, shall constitute complete and adequate payment for Services under this Agreement.

Exhibit A and B is hereby revised in its entirety and added Attachment A attached hereto and incorporated herein by reference.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 3, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 3. From and after the date of this Amendment No. 3, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 3.

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. 3.

3.4 Severability. If any portion of this Amendment No. 3 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. 3 TO THE DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ARDURRA GROUP, INC.

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 3 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

ARDURRA GROUP, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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

ARDURRA

May 7, 2025

Cynthia Torres
Project Manager
1333 S. Bon View Ave
Ontario CA, 91761

SUBJECT: Amendment No. 3 Engineering Services for Ontario Regional Sports Complex Offsite Improvements (PO#04217)

Dear Ms. Torres:
It has been very rewarding and exciting working with the City on this project. The additional scope includes the tunneling consultant, Aldea and the surveying consultant, O'Day. Their proposals are attached describing their scope of work.

$1,784,432	Amendment No. 1 (Approved 6/4/2024)
$72,780	Amendment No. 2 (Approved 6/4/2024)
$588,842	Amendment No. 3
$2,446,054	New Total Contract Amount

All other contractual terms apply. Please feel free to contact me if you have questions or require additional information at 661.748.3893 or dsalgado@ardurra.com.

Sincerely,

Dolores Salgado, PE
Client Service Manager

Enclosures:
Exhibit "A" Fee Schedule
Exhibit "B" Aldea's Proposal
Exhibit "C" O'Day's Proposal

Exhibit "A" - Design Fee Schedule
Ontario Regional Sports Complex
Offsite Improvements
Amendment No. 3

	Task Item	Labor Hours			Subconsultants		Sub Markup	Direct Costs	TOTAL
		Project Director	Labor Hrs	Labor Costs	Tunneling	Surveyor			
					Aldea	*O'Day*	*10%*		
	2025 Hourly Rates	$ 325							
TASK 1	**Evaluate Tunneling Methods**								
	Prepare Trenchless Cost Comparison	16	16	$ 5,200	$ 45,300		$ 4,530		$ 55,030
								Evaluate Tunneling Methods	**$ 55,030**
TASK 2	**Specialty Inspection**								
	Construction Inspection		0	$ -	$ 163,800		$ 16,380		$ 180,180
								Specialty Inspection	**$ 180,180**
TASK 3	**Street Dedications and Final Map**								
	Street Dedications and Final Map	24	24	$ 7,800		$ 235,992	$ 23,599		$ 267,391
								Street Dedications and Final Map	**$ 267,391**
TASK 4	**Additional ESDC**								
	General Requirements		0	$ -	$ 16,680		$ 1,668		$ 18,348
	Pre-Construction		0	$ -			$ -		$ -
	Construction Meetings		0	$ -	$ 3,150		$ 315		$ 3,465
	Change Order Management		0	$ -			$ -		$ -
	Requests for Information (RFI)		0	$ -			$ -		$ -
	Submittal Management		0	$ -	$ 5,040		$ 504		$ 5,544
	Design Revisions		0	$ -			$ -		$ -
	Post Construction		0	$ -			$ -		$ -
								Additional ESDC	**$ 27,357**
TASK 4	**ADDITIONAL SERVICES**								
	Other Requested Services (10% total)								$ 58,884
								ADDITIONAL SERVICES	**$ 58,884**
	Total Hours:	**40**	**40**						
	Total Project Cost:	**$13,000**		**$ 13,000**	**$ 233,970**	**$ 235,992**	**$ 46,996**	**$ -**	**$ 588,842**

EXHIBIT "B"

December 16, 2024

Dolores Salgado, PE
Practice Director
Ardurra
9100 Ming Avenue,
Suite 202,
Bakersfield, CA 93311

Subject: **Ontario Sports Complex Sewer – Ontario, California**
Proposal for Trenchless Advisory Services

Dear Ms. Salgado,

Aldea Services Inc (Aldea) is pleased to present this proposal to Ardurra to provide trenchless advisory and construction inspection services for the Ontario Sports Complex Sewer located in Ontario, California.

Project Understanding:

The City of Ontario is constructing approximately 2 miles of pipeline to support the new Ontario Sports Complex in Onario, California. Aldea has been asked to review the Contractor's trenchless submittals for the South Sewer (Weka), which is approximately 11,018 LF and the North Sewer (Griffith), which is approximately 4,571 LF and provide a cost comparison to the open cut method. The project includes 11 trenchless drives total between the North and South sewers and includes 18-inch up to 36-inch steel casing pipes for the 10-inch up to 21-inch VCP carrier pipes. The general geotechnical information for the project as it is known now comprises both fill and alluvial sediments. It is understood that the geotechnical information for the project will be supplemented by additional site specific investigations to be performed by the two contractors (Weka and Griffith).

Scope of Work:

The scope of work, deliverables and fees presented in this proposal are for trenchless advisory support services associated with trenchless construction only. The following assumptions have been made regarding Aldea's fee estimate based upon the shared documents:

1. Scope of Work assumes one Draft Design Submittal and one Final Design submittal only (re-submittal).

2. Additional re-submittals, work on other submittals, other project components, claims, additional meetings, and travel expenses are excluded.
3. Additional Work Fee. Additional work outside the outlined scope, as requested, can be completed at the hourly rates presented in **Attachment A.**
4. Design Submittal Review Comments. Assume one set of consolidated review comments will be provided on Draft submittals. Review comment responses shall be incorporated into a Final submittal.
5. Terms & Conditions. Assume terms and conditions in accordance with Aldea standard Subconsultant Agreement provided in **Attachment B**.

Our scope of work will include the following:

- **General Project Management**
  - PM Management and Coordination – 1 hour/week for the duration of the project construction (assume 12 months)
  - Review of existing documents – Review of Contractor submittals and provided geotech reports
  - Meetings – Aldea will attend 3, 2-hour virtual meetings with 2 Aldea staff

- **Cost Evaluation**
  - Cost estimate for the South Sewer drives
  - Cost estimate for the North Sewer drives
  - Cost Comparison Report – includes 1 draft and 1 final

- **Construction Phase**
  - On-site construction inspection - Construction Inspector to be on site one (1), 10-hour day/week for 12 months
  - Submittal review - Aldea will review up to 2 Contractor submittals during the construction phase

Ardurra Roles & Responsibilities

The full scope of Aldea's work depends on Ardurra providing all the necessary documents and information regarding Contractor means and methods to complete the work. Any changes to the construction plans, means and/or methods will need to be communicated as soon as possible. Duplicate work due to changing construction conditions has not been included as part of the fee estimate.

Schedule:

Schedule for all deliverables is yet to be determined, will be discussed and agreed upon award with Ardura.

Cost:

The total lump sum fee for the General Project Management and the Cost Evaluation scope of work as detailed above and presented in **Attachment A** is **$65,130.** The total time and materials (T&M) fee for the Construction Phase scope of work as detailed above and presented in **Attachment A** is **$168,840.**

The fees broken down by Task are presented in **Attachment A**.

Conditions of cost are as follows:

- Travel time will be charged at the hourly rates indicated **Attachment A**.
- Additional design work will be carried out if requested. Separate documentation will be maintained of additional tasks, and they will be billed at the hourly rates as shown on **Attachment A**.
- Task Fees are lump sum and all encompassing. If the Contractor requires engineering support for only a subtask, the fee may need to be reevaluated.

Payment:

Payment of 20% of our anticipated total fee ($13,026), excluding construction fees, will be required as an advance payment and will be considered as our notice to proceed once received. We will provide a 20% reduction in subsequent invoices until the full amount of the advance payment is accounted for.

Invoices will be sent after each Draft and Final submittal on a 70% percent (Draft) and 30% (Final) for the lump sum complete basis, based on the scope described above.

Fees associated with construction will be billed monthly.

Additional tasks carried out on a T&M basis will be invoiced monthly in accordance with hours worked and using the rates as shown on **Attachment A**. Payment will be due to Aldea 30 days after receipt of the invoice.

Terms and Conditions:

The scope of work described in this proposal will be carried out in accordance with the terms and conditions attached.

We are ready to provide the resources you need to deliver high-quality design and submittals on schedule. Please feel free to contact me at 301-979-7484 to discuss further. We look forward to working with you.

Sincerely,



Paul Headland
Senior Vice President
Aldea Services Inc.

Enclosures:

Attachment A – Aldea Detailed Fee Estimate
Attachment B – Aldea Standard Subconsultant Agreement

ACCEPTANCE OF PROPOSAL:

Please confirm your agreement to the fee and services outlined in this proposal by signing and returning this confirmation.

Ardurra

By: _____

Title: _____

Date: _____

ATTACHMENT A

Ontario Sports Complex Sewer Improvement

Cost Estimate Comparison and Construction Support Services
Aldea Engineering Support Fee Estimate
Monday, December 16, 2024

Drives: 11 (soil)
Total Trenchless Length: 15,590 LF
Casing/Carrier 18 - 36" Steel Casing

Requirement / Submittal			Associate AH/ADA 300	PM/SE KH/PL/HO 225	Proj. ENG MT/AG 165	Total Hrs.	Expenses ($)	Total Cost ($)	Comments
General	**Aldea Scope**		**10**	**66**	**12**	**88**	$ -	**$ 19,830.00**	
Project Management & Coordination	Assume 1 hour/week for 12 months including Construction	NA	0	48	0	48		$ 10,800	
Review of Existing Documents	Review Contractor Submittals and provided Geotech reports	NA	4	12	12	28		$ 5,880	
Meetings	Assume Aldea will attend 3, 2-hour meetings with 2 Aldea staff (virtual meetings)	NA	6	6	0	12		$ 3,150	
Cost Evaluation	**Aldea Scope**		**8**	**88**	**140**	**236**	$ -	**$ 45,300.00**	
Cost Estimate for South Sewer Drives	Includes cost estimate comparison for 36", 24" and forthcoming design for the 18" line.	**7 Drives**	2	24	40	66		$ 12,600	
Cost Estimate for North Sewer Drives	Includes cost estimate comparison for 24" and 18" lines.	**4 Drives**	2	24	40	66		$ 12,600	
Cost Comparison Report	Aldea will prepare a cost evaluation comparison for the trenchless drives vs. the open cut. Includes 1 draft and 1 final.	**11 Drives**	4	40	60	104		$ 20,100	
Construction Phase	**Aldea Scope**		**522**	**8**	**16**	**546**	$ 7,800.00	**$ 168,840.00**	
On-site Construction Inspection	Assume Aldea Representative Construction Inspector to be on site one (1), 10-hour day/week for the duration of construction (assume 12 months).	**11 Drives**	520	0	0	520	$ 7,800.00	$ 163,800	Assumes Aldea representative from Los Angeles will perform site inspections.
Submittal Review	Aldea will review up to 2 Contractor submittals during the construction phase	**2 Submittals**	2	8	16	26		$ 5,040	
			540	**162**	**168**	**870**	**$ 7,800.00**	**$ 233,970.00**	**TOTAL**
			62.07%	18.62%	19.31%				

Clarifications:

Scope of Work assumes one Draft Design Submittal (all calculations as shown above for Submittal 1 and Submittal 2) and one Final Design submittal (re-submittal) - design period = 6 months
Additional re-submittals, work on other submittals, other project components, claims, additional meetings or any travel expenses are excluded.
Additional Work Fee. Additional work, as required, can be completed at the above noted hourly rates.
Design Submittal Review Comments. Assume one set of consolidated review comments will be provided on Draft submittals. Review comment responses shall be incorporated into Final submittal.
Terms & Conditions. Assume terms and conditions in accordance with Aldea standard Subconsultant Agreement.

EXHIBIT "C"

Ontario Sports Empire Proposal
City of Ontario, CA

SCOPE OF WORK

Scope I: Hourly not to exceed $85,392.00 due and payable upon percentage of work completed.

A. Prepare Legal Descriptions and Plats for the:

   i. Street Dedication along South Home Run Way, between Riverside Drive and East Stadium Way, and along East Stadium Way between South Champions Way and South Home Run Way. See attached Exhibit.

   ii. Street Dedication along the south side of Riverside Drive between Vineyard Avenue and the Cucamonga Channel. See attached Exhibit.

   iii. Street Dedication along South Champions Avenue between Riverside Drive and approximately 200 feet south of Chino Avenue, as well as the northly half of Chino Avenue approximately 200 feet east and west of South Champions Avenue. See attached Exhibit.

B. Prepare Legal Descriptions and Plats for SCE Easements outside of the Public Streets described above.

C. Provide Plats & Legal Descriptions to Ardurra for processing with the City of Ontario, and to Southern California Edison for processing easements outside of the dedicated streets.

D. Revise Plats & Legal Descriptions per plancheck corrections and redline comments from the City of Ontario, and from SCE.

E. Preliminary title reports for properties affected by the street dedications and the SCE easements.

F. Provide lot closure calculations.

Scope II: Hourly not to exceed $134,800.00 due and payable upon percentage of work completed.

Preparation of the Final Subdivision Map

A. Provide a Field Boundary Survey (prevailing wage)
B. Prepare Final Subdivision Map, to include Street Dedications on the final map, South Tournament Way, East Stadium Way, East Sport Empire Lane, Sport Empire Lane and References to Existing Street Dedications and existing SCE easements.
C. Prepare Plats and Legal Descriptions for SCE Easements (to be processed and recorded by Ardurra)
D. Prepare Subdivision Map Package & Lot Closure Calculations for initial submittal to the City of Ontario
E. Plan check reviews revisions with the City of Ontario for Subdivision Map approval and recordation.
F. Preliminary Title Report for the subdivision map.
G. Plan check reviews and revisions of the SCE easements and plot onto the final map after recording.

Scope III: Time and Materials, estimated at $15,800.00

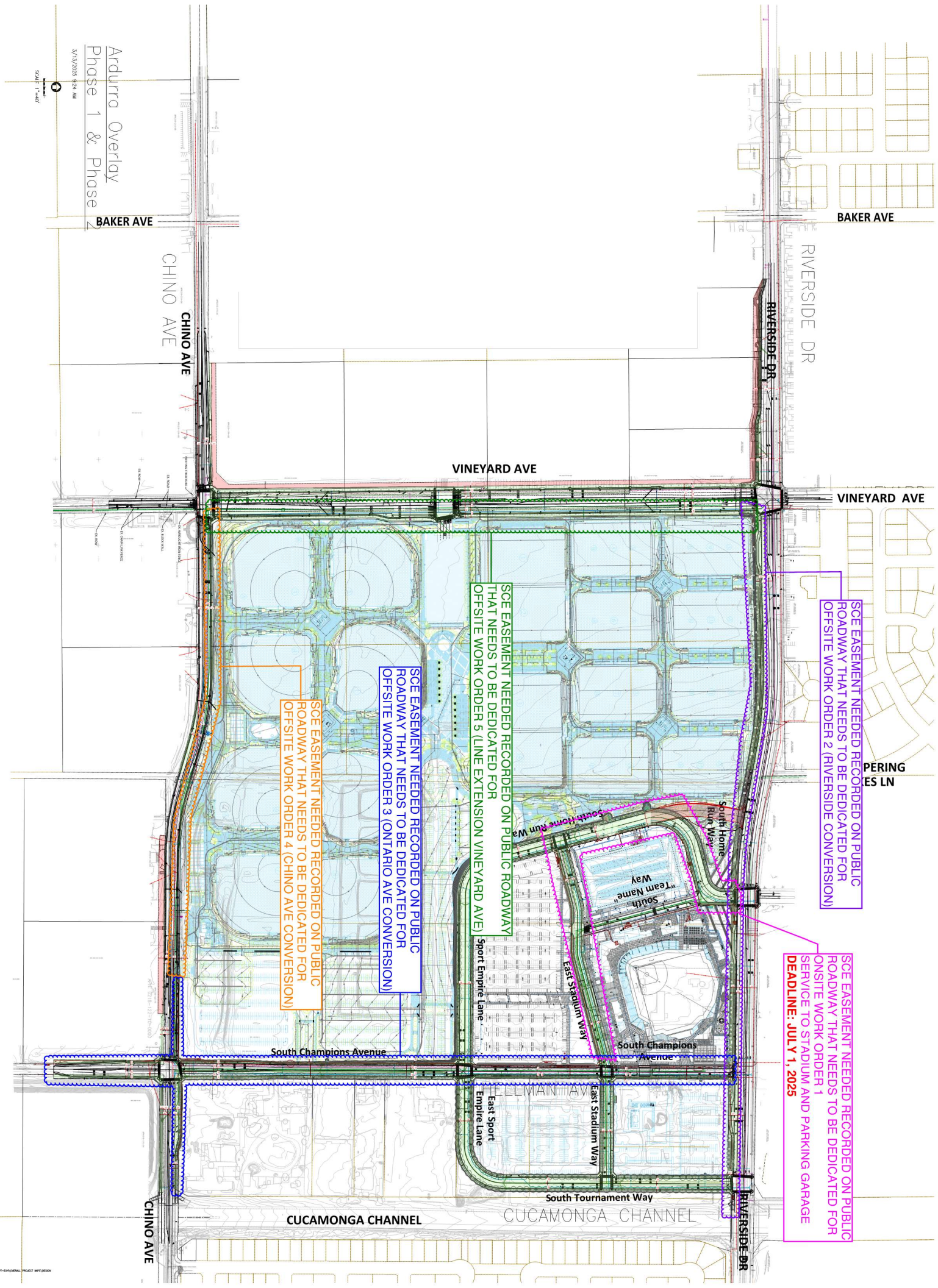
A. Field survey to set final boundary monuments shown on the final subdivision map.
    a. Note: Price will be confirmed once final lotting and street layout are established.

Assumptions:

1) All easement locations to be provided to O'Day by Southern California Edison (SCE).
2) We will provide the preliminary Title Reports, all other current Title Documentation to be provided by others.
3) Street Alignments will be provided to O'Day by others.
4) If particular CADD standards are required, it is assumed that these will be provided prior to NTP.
5) It is assumed that no permits will be required for survey work within the existing Right-of-Way; however, if an permits are required for survey work, this will be coordinated by Ardurra.
6) Street Survey Monuments will be constructed by others (O'Day will mark the monument after construction).
7) Assumes no Tentative Map is required.

DOES NOT INCLUDE:

- Agency fees
- Traffic engineering including traffic control, sign and striping
- Landscape Architecture
- Soils engineering
- Dry utilities engineering, including underground of existing overhead utilities
- Title documents
- As-builts
- Construction staking
- Consultation during bidding/RFI's
- Environmental documentation
- Construction of M-10 monuments
- Retaining wall design
- Structural engineering


Ardurra Overlay
Phase 1 & Phase 2
3/13/2025 9:24 AM
SCALE 1" = 40'
BAKER AVE
CHINO AVE
VINEYARD AVE
RIVERSIDE DR
PERING
ES LN
SCE EASEMENT NEEDED RECORDED ON PUBLIC ROADWAY THAT NEEDS TO BE DEDICATED FOR OFFSITE WORK ORDER 2 (RIVERSIDE CONVERSION)
SCE EASEMENT NEEDED RECORDED ON PUBLIC ROADWAY THAT NEEDS TO BE DEDICATED FOR OFFSITE WORK ORDER 5 (LINE EXTENSION VINEYARD AVE)
SCE EASEMENT NEEDED RECORDED ON PUBLIC ROADWAY THAT NEEDS TO BE DEDICATED FOR OFFSITE WORK ORDER 3 (ONTARIO AVE CONVERSION)
SCE EASEMENT NEEDED RECORDED ON PUBLIC ROADWAY THAT NEEDS TO BE DEDICATED FOR OFFSITE WORK ORDER 4 (CHINO AVE CONVERSION)
SCE EASEMENT NEEDED RECORDED ON PUBLIC ROADWAY THAT NEEDS TO BE DEDICATED FOR ONSITE WORK ORDER 1 SERVICE TO STADIUM AND PARKING GARAGE
DEADLINE: JULY 1, 2025
South Home Run Way
South "Team Name" Way
Sport Empire Lane
East Stadium Way
South Champions Avenue
HELLMAN AVE
South Tournament Way
CUCAMONGA CHANNEL
ARDURRA

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

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. D&C23-025 SPORTS COMPLEX OFFSITES PH. 2 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 **Bogh Construction, LLC.**, 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&C23-025c Sports Complex Offsites Phase. 2

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 per the contract schedule and **within 301 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-Three Million One Hundred Eighty - Seven Thousand and Seven Hundred Dollars ($23,187,700)**. Payment shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $10,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

Notice Inviting Bids
Instructions to Bidders
Bid Forms
Bid Acknowledgement
Bid Schedule
Bid Guarantee
Designation of Subcontractors
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications
Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Scope of Work Summary
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

Bogh Construction, LLC.

By: _____

Its: _____

Printed Name: _____

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]**

END OF CONTRACT

CITY OF ONTARIO *Agenda Report* **October 7, 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: 12

SUBJECT: OPTING INTO A SETTLEMENT AGREEMENT WITH ALVOGEN, AMNEAL, APOTEX, HIKMA, INDIVIOR, MYLAN, SUN, AND ZYDUS

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to opt into a Settlement Agreement with opioid distributors: Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus and authorize the City Manager to execute any documents necessary to implement the action.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The City of Ontario is expected to receive $87,710 in additional funding if it opts into the Settlement Agreement as recommended. The funds will be paid over a period of 10 years. If approved, the funds will be deposited into the Opioid Settlement fund.

BACKGROUND & ANALYSIS: Many states and cities across the United States have sued major pharmaceutical distributors of opioid painkillers (Amerisource Bergen, Cardinal Health, and McKesson), and the opioid painkiller manufacturer, Janssen (owned by Johnson & Johnson). Together, these cases have resulted in two settlements totaling approximately $26 billion. In 2024, an additional $1.2 billion settlement was reached with another opioid painkiller manufacturer (Kroger Co.). Earlier this year, Purdue Pharma, L.P. and the Sackler Family reached an agreement for a $7.4 billion settlement. The City of Ontario has opted into every opioid settlement and has been receiving payments since November 2022.

In July 2025, a tentative $720 million settlement was reached with eight opioid manufacturers: Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus ("the Secondary Manufacturers' Settlements") for opioid distribution claims, which will be payable over a period of 10 years.

The funds are restricted to certain opioid abatement/remediation uses. The State will distribute 15% of the funds to the State Fund, 70% to the California Abatement Accounts Fund, and 15% to the California Subdivision Fund. Local subdivisions, such as the City of Ontario, will receive their share from the California Abatement Accounts Fund. The estimated total nationwide payout and payment schedule are outlined below:

Defendant	**Estimated Max Payout (100% Participation)**	**Years**
Mylan	$284,447,916	9 years
Hikma	$95,818,293	1-4 years
Amneal	$71,751,010	10 years
Apotex	$63,682,369	1 year
Indivior	$38,022,450	4 years
Sun	$30,992,087	1-4 years
Alvogen	$18,690,162	1 year
Zydus	$14,859,220	1 year

The City of Ontario is expected to receive approximately $87,710 distributed over 10 years, starting in late 2025. It will continue annually, although the amounts will decline as each settlement is concluded. The final settlement amount will be determined by how many cities participate.

Currently, the City is utilizing opioid settlement funds to support the Community Outreach and Support Team (C.O.A.S.T.) with providing education and support to prevent opioid-related overdoses. Any funds that remain unused or uncommitted within five years of receipt must be returned to the State. Future funds will be spent in accordance with allowable activities, though specific projects have not yet been determined.

Like all opioid settlements that the City has opted into, funds from this settlement must be used for future opioid remediation or abatement. Primarily, participating subdivisions may use funds for areas such as services to treat opioid use disorder; support people in treatment and recovery; connect people to care; address needs of criminal justice-involved persons; address the needs of pregnant or parenting women and their families, including babies with neonatal abstinence syndrome; prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids; prevent misuse of opioids; prevent overdose deaths and other harms; provide leadership, planning, and coordination of programs; provide training; and conduct research.

The City must complete an annual report to the California Department of Healthcare and Services ("DHCS") that details fund usage and certify that they have been used in compliance with the allocation agreements.

To participate in this settlement, the City must opt in by October 8, 2025. In doing so, the City releases its claims against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus. If the City Council takes no action, it will automatically opt out of the settlement. In that case, Ontario's share of the funds will flow to the State. However, the City would still have the right to bring its own

litigation against these opioid manufacturers.

Staff recommends that the City Council opt into the combined settlement and elect to receive payments directly by releasing its claims against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus.

New National Opioids Settlement: Secondary Manufacturers
Opioids Implementation Administrator
opioidsparticipation@rubris.com

Ontario city, CA
Reference Number: CL-1761839

TO LOCAL POLITICAL SUBDIVISIONS:

THIS PACKAGE CONTAINS DOCUMENTATION TO PARTICIPATE IN THE NEW NATIONAL OPIOIDS SECONDARY MANUFACTURERS SETTLEMENTS. YOU MUST TAKE ACTION IN ORDER TO PARTICIPATE.

Deadline: October 8, 2025

A new proposed national opioids settlement ("*Secondary Manufacturers Settlements*") has been reached with eight opioids manufacturers: Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus ("Settling Defendants"). This *Combined Participation Package* is a follow-up communication to the *Notice of National Opioids Settlement* recently received electronically by your subdivision.

You are receiving this *Combined Participation Package* because California is participating in the Secondary Manufacturers Settlements.

If a state is not eligible to or does not participate in the settlement with a particular manufacturer, the subdivisions in that state are not eligible to participate in that manufacturer's settlement.

This electronic envelope contains nine attachments:

- A *Combined Participation Form* for the *Secondary Manufacturers Settlements* that your subdivision is eligible to join, including a release of any claims.
- California State-Subdivision Agreements for Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus ("California State-Subdivision Agreements").

The *Combined Participation Form* and all eight California State-Subdivision Agreements must be executed, without alteration, and submitted on or before October 8, 2025, in order for your subdivision to be considered for initial participation calculations and payment eligibility under the *Secondary Manufacturers Settlement*.

Based upon *Combined Participation Forms* received on or before October 8, 2025, the subdivision participation rate will be used to determine whether participation is sufficient for each settlement to move forward and whether a state earns its maximum potential payment under each settlement. If a settlement moves forward, your release will become effective. If a settlement does not move forward, that release will not become effective.

Any subdivision that does not participate cannot directly share in the settlement funds, even if the subdivision's state is settling and other participating subdivisions are sharing in settlement funds. Any subdivision that does not participate may also reduce the amount of money for programs to remediate the opioid crisis in its state. Please note, a subdivision will not necessarily directly receive settlement funds by participating; decisions on how settlement funds will be allocated within a state are subject to intrastate agreements or state statutes.

You are encouraged to discuss the terms and benefits of the *Secondary Manufacturers Settlements* with your counsel, your Attorney General's Office, and other contacts within your state. Many states are implementing and allocating funds for this new settlement the same as they did for the prior opioids settlements but states may choose to treat this settlement differently.

Information and documents regarding the *Secondary Manufacturers Settlements*, implementation in your state, and how funds will be allocated within your state can be found on the national settlement website at https://nationalopioidsettlement.com/ and the California Attorney General's website at https://oag.ca.gov/opioids. These websites will be supplemented as additional documents are created.

This *Participation Packet* is different than the participation packet you recently received from Rubris concerning a settlement with Purdue Pharma, L.P, and the Sackler Family. The *Secondary Manufacturers Settlements* discussed in this *Participation Packet* are different than the settlement with Purdue and the Sacklers, and you may participate in the *Secondary Manufacturers Settlements* regardless of whether you join the Purdue and Sackler settlement.

How to return signed forms:

There are three methods for returning the executed *Combined Participation Form, the eight California State-Subdivision Agreements,* and any supporting documentation to the Implementation Administrator:

(1) *Electronic Signature via DocuSign*: Executing the *Combined Participation Form* electronically through DocuSign will return the signed form to the Implementation Administrator and associate your form with your subdivision's records. Electronic signature is the most efficient method for returning the *Combined Participation Form*, allowing for more timely participation and the potential to meet higher settlement payment thresholds, and is therefore strongly encouraged.

(2) *Manual Signature returned via DocuSign*: DocuSign allows forms to be downloaded, signed manually, then uploaded to DocuSign and returned automatically to the Implementation Administrator. Please be sure to complete all fields. As with electronic signature, returning a manually signed *Combined Participation Form* via DocuSign will associate your signed forms with your subdivision's records.

(3) *Manual Signature returned via electronic mail*: If your subdivision is unable to return an executed *Combined Participation Form* using DocuSign, the signed *Combined Participation Form* may be returned via electronic mail to opioidsparticipation@rubris.com. Please include the name, state, and reference ID of your subdivision in the body of the email and use the subject line Combined Settlement Participation Form – [Subdivision Name, Subdivision State] – [Reference ID].

Detailed instructions on how to sign and return the *Combined Participation Form* and eight *California State-Subdivision Agreements*, including changing the authorized signer, can be found at https://nationalopioidsettlement.com/additional-settlements/. You may also contact opioidsparticipation@rubris.com.

The sign-on period for subdivisions ends on October 8, 2025.

If you have any questions about executing the *Combined Participation Form*, please contact your counsel, the Implementation Administrator at opioidsparticipation@rubris.com, or the California Attorney General's Office at opioidsettlement-localgovernment@doj.ca.gov.

Thank you,

Secondary Manufacturers Settlements Implementation Administrator

The Implementation Administrator is retained to provide the settlement notice required by the Secondary Manufacturers Settlements and to manage the collection of the Combined Participation Form.

EXHIBIT K

Secondary Manufacturers' Combined Subdivision Participation and Release Form ("Combined Participation Form")

Governmental Entity: Ontario city	State: CA
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("*Governmental Entity*"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to each of the settlements which are listed in paragraph 1 below (each a "Secondary Manufacturer's Settlement" and collectively, "the Secondary Manufacturers' Settlements"), and acting through the undersigned authorized official, hereby elects to participate in each of the Secondary Manufacturers' Settlements, release all Released Claims against all Released Entities in each of the Secondary Manufacturers' Settlements, and agrees as follows.

1. The Participating Entity hereby elects to participate in each of the following Secondary Manufacturers' Settlements as a Participating Entity:

   a. Settlement Agreement for Alvogen, Inc. dated April 4, 2025.
   b. Settlement Agreement for Apotex Corp. dated April 4, 2025.
   c. Settlement Agreement for Amneal Pharmaceuticals LLC dated April 4, 2025.
   d. Settlement Agreement for Hikma Pharmaceuticals USA Inc. dated April 4, 2025.
   e. Settlement Agreement for Indivior Inc. dated April 4, 2025.
   f. Settlement Agreement for Viatris Inc. ("Mylan") dated April 4, 2025.
   g. Settlement Agreement for Sun Pharmaceutical Industries, Inc. dated April 4, 2025.
   h. Settlement Agreement for Zydus Pharmaceuticals (USA) Inc. dated April 4, 2025.

2. The Governmental Entity is aware of and has reviewed each of the Secondary Manufacturers' Settlements, understands that all capitalized terms not defined in this Combined Participation Form have the meanings defined in each of the Secondary Manufacturers' Settlements, and agrees that by executing this Combined Participation Form, the Governmental Entity elects to participate in each of the Secondary Manufacturers' Settlements and become a Participating Subdivision as provided in each of the Secondary Manufacturers' Settlements.

3. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed against any Released Entity in each of the Secondary Manufacturers' Settlements. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity

authorizes the Plaintiffs' Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice for each of the manufacturers listed in paragraph 1 above substantially in the form found at *https://nationalopioidsettlement.com/additional-settlements/*.

4. The Governmental Entity agrees to the terms of each of the Secondary Manufacturers' Settlements pertaining to Participating Subdivisions as defined therein.

5. By agreeing to the terms of each of the Secondary Manufacturers' Settlements and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.

6. The Governmental Entity agrees to use any monies it receives through each of the Secondary Manufacturers' Settlements solely for the purposes provided therein.

7. The Governmental Entity submits to the jurisdiction of the court and agrees to follow the process for resolving any disputes related to each Secondary Manufacturer's Settlement as described in each of the Secondary Manufacturers' Settlements.[1]

8. The Governmental Entity has the right to enforce each of the Secondary Manufacturers' Settlements as provided therein.

9. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in each of the Secondary Manufacturers' Settlements, including without limitation all provisions related to release of any claims,[2] and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in his or her official capacity whether elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in each of the Secondary Manufacturers' Settlements in any forum whatsoever. The releases provided for in each of the Secondary Manufacturers' Settlements are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities in each of the Secondary Manufacturers' Settlements the broadest possible bar against any liability relating in any way to Released

[1] *See* Settlement Agreement for Alvogen, Inc. Section VII.F.2; Settlement Agreement for Apotex Corp. Section VII.F.2; Settlement Agreement for Amneal Pharmaceuticals LLC Section VII.F.2; Settlement Agreement for Hikma Pharmaceuticals USA Inc. Section VII.F.2; Settlement Agreement for Indivior Section VI.F.2; Settlement Agreement for Mylan Section VI.F.2; Settlement Agreement for Sun Pharmaceutical Industries, Inc. Section VII.F.2; Settlement Agreement for Zydus Pharmaceuticals (USA) Inc. Section VII.F.2.

[2] *See* Settlement Agreement for Alvogen, Inc. Section XI; Settlement Agreement for Amneal Pharmaceuticals LLC Section X; Settlement Agreement for Apotex Corp. Section XI; Settlement Agreement for Hikma Pharmaceuticals USA Inc. Section XI; Settlement Agreement for Indivior Section X; Settlement Agreement for Mylan Section X; Settlement Agreement for Sun Pharmaceutical Industries, Inc. Section XI; Settlement Agreement for Zydus Pharmaceuticals (USA) Inc. Section XI.

Claims and extend to the full extent of the power of the Governmental Entity to release claims. Each of the Secondary Manufacturers' Settlements shall be a complete bar to any Released Claim against that manufacturer's Released Entities.

10. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in each of the Secondary Manufacturers' Settlements.

11. In connection with the releases provided for in each of the Secondary Manufacturers' Settlements, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

> **General Release; extent.** 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 that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims in each of the Secondary Manufacturers' Settlements, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in each of the Secondary Manufacturers' Settlements.

12. The Governmental Entity understands and acknowledges that each of the Secondary Manufacturers' Settlements is an independent agreement with its own terms and conditions. Nothing herein is intended to modify in any way the terms of any of the Secondary Manufacturers' Settlements, to which Governmental Entity hereby agrees, aside from the exceptions in paragraph 13 below. To the extent this Combined Participation Form is interpreted differently from any of the Secondary Manufacturers' Settlements in any respect, the individual Secondary Manufacturer's Settlement controls.

13. For the avoidance of doubt, in the event that some but not all of the Secondary Manufacturers' Settlements proceed past their respective Reference Dates, all releases and other commitments or obligations shall become void ***only as to*** those Secondary Manufacturers' Settlements that fail to proceed past their Reference Dates. All releases and other commitments or obligations (including those contained in this Combined Participation Form) shall remain in full effect as to each Secondary Manufacturer's Settlement that proceeds past its Reference Date, and this Combined Participation Form need not be modified, returned, or destroyed as long as any Secondary Manufacturer's Settlement proceeds past its Reference Date.

I have all necessary power and authorization to execute this Combined Participation Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Alvogen Settlement

1. Introduction

Pursuant to the Alvogen Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Alvogen Settlement Agreement"), including Section VI and Exhibit O, the State of California proposes this agreement (the "CA Alvogen Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections V and VI of the Alvogen Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section X of the Alvogen Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Alvogen Settlement Agreement, acceptance of this CA Alvogen Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Alvogen Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Alvogen Settlement Agreement, as well as applicable law, and the Alvogen Settlement Agreement governs over any inconsistent provision of this CA Alvogen Allocation Agreement. Terms used in this CA Alvogen Allocation Agreement have the same meaning as in the Alvogen Settlement Agreement unless otherwise defined herein.

Pursuant to Section VI(D)(1) of the Alvogen Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VI(B)(2) of the Alvogen Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Section X of the Alvogen Settlement Agreement, including payments for Private Attorney Fees and the Additional Remediation Amount.

4. State Allocation

The Settlement Fund payments to California, pursuant to the Alvogen Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Alvogen Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or

[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Alvogen Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Alvogen Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Alvogen Settlement Agreement and this CA Alvogen Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA

Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State.

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Alvogen Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Alvogen Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Alvogen Settlement Agreement and this CA Alvogen Allocation Agreement, a county and any cities or towns within the county may

agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Alvogen Settlement Agreement and this CA Alvogen Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Alvogen Settlement Agreement or this CA Alvogen Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Alvogen Settlement Agreement or this CA Alvogen Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Alvogen Settlement Agreement and this CA

Alvogen Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation.

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Alvogen Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Alvogen Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section VI.B.1 of the Alvogen Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Alvogen Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

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5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Alvogen Settlement Agreement and this CA Alvogen Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Alvogen Settlement Agreement and this CA Alvogen Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VI(B)(2) of the Alvogen Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Alvogen.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Alvogen Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Alvogen Settlement Agreement, this CA Alvogen Allocation Agreement is not enforceable by any party other than the State and the CA Participating

Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Alvogen Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Alvogen Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Alvogen Settlement is a requirement to be an Initial Participating Subdivision in the Alvogen Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Alvogen Settlement.

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Alvogen Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**

Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Alvogen Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Alvogen Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Alvogen Settlement Agreement and CA Alvogen Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Alvogen Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Alvogen Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Alvogen Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Alvogen Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Amneal Settlement

1. Introduction

Pursuant to the Amneal Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Amneal Settlement Agreement"), including Section V and Exhibit O, the State of California proposes this agreement (the "CA Amneal Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Amneal Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections IX or XIV of the Amneal Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Amneal Settlement Agreement, acceptance of this CA Amneal Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Amneal Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Central California Alliance for Health, Health Plan of San Joaquin, Santa Barbara San Luis Obispo Regional Health Authority d/b/a Cencal Health, and Ventura County Medi-Cal Managed Care Commission d/b/a Gold Coast Health Plan.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer

D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Amneal Settlement Agreement, as well as applicable law, and the Amneal Settlement Agreement governs over any inconsistent provision of this CA Amneal Allocation Agreement. Terms used in this CA Amneal Allocation Agreement have the same meaning as in the Amneal Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Amneal Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Amneal Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Sections IX or XIV of the Amneal Settlement Agreement, including payments for Private Attorney Fees, the Additional Remediation Amount, and the Settlement Product Cash Conversion Amount.[2]

4. State Allocation

The Settlement Fund payments to California, pursuant to the Amneal Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Amneal Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

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[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

[2] All Settlement Product Cash Conversion Amounts paid to California pursuant to Section XIV of the Amneal Settlement Agreement shall be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Amneal Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Amneal Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Amneal Settlement Agreement and this CA Amneal Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State..

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Amneal Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS

will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Amneal Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Amneal Settlement Agreement and this CA Amneal Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Amneal Settlement Agreement and this CA Amneal Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Amneal Settlement Agreement or this CA Amneal Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Amneal Settlement Agreement or this CA Amneal Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Amneal Settlement Agreement and this CA Amneal Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Amneal Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Amneal Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section VI.B.1 of the Amneal Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Amneal Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney

General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Amneal Settlement Agreement and this CA Amneal Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Amneal Settlement Agreement and this CA Amneal Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Amneal Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Amneal.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

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6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Amneal Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Amneal Settlement Agreement, this CA Amneal Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Amneal Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Amneal Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Amneal Settlement is a requirement to be an Initial Participating Subdivision in the Amneal Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Amneal Settlement.

Signature:

Name:

Title:

Date:

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Amneal Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**

Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Amneal Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Amneal Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Amneal Settlement Agreement and CA Amneal Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Amneal Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Amneal Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Amneal Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Amneal Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Apotex Settlement

1. Introduction

Pursuant to the Apotex Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Apotex Settlement Agreement"), including Section VI and Exhibit O, the State of California proposes this agreement (the "CA Apotex Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections V and VI of the Apotex Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section X of the Apotex Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Apotex Settlement Agreement, acceptance of this CA Apotex Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Apotex Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Apotex Settlement Agreement, as well as applicable law, and the Apotex Settlement Agreement governs over any inconsistent provision of this CA Apotex Allocation Agreement. Terms used in this CA Apotex Allocation Agreement have the same meaning as in the Apotex Settlement Agreement unless otherwise defined herein.

Pursuant to Section VI(D)(1) of the Apotex Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VI(B)(2) of the Apotex Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Section X of the Apotex Settlement Agreement, including payments for Private Attorney Fees and the Additional Remediation Amount.

4. State Allocation

The Settlement Fund payments to California, pursuant to the Apotex Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Apotex Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA

[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Apotex Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Apotex Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Apotex Settlement Agreement and this CA Apotex Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State.

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Apotex Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Apotex Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Apotex Settlement Agreement and this CA Apotex Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating

Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Apotex Settlement Agreement and this CA Apotex Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Apotex Settlement Agreement or this CA Apotex Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Apotex Settlement Agreement or this CA Apotex Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Apotex Settlement Agreement and this CA Apotex Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation.

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Apotex Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Apotex Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section VI.B.1 of the Apotex Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Apotex Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

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5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Apotex Settlement Agreement and this CA Apotex Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Apotex Settlement Agreement and this CA Apotex Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VI(B)(2) of the Apotex Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Apotex.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Apotex Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Apotex Settlement Agreement, this CA Apotex Allocation Agreement is not enforceable by any party other than the State and the CA Participating

Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Apotex Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Apotex Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Apotex Settlement is a requirement to be an Initial Participating Subdivision in the Apotex Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Apotex Settlement.

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Apotex Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Apotex Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Apotex Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Apotex Settlement Agreement and CA Apotex Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Apotex Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Apotex Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Apotex Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Apotex Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Hikma Settlement

1. Introduction

Pursuant to the Hikma Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Hikma Settlement Agreement"), including Section VI and Exhibit O, the State of California proposes this agreement (the "CA Hikma Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections V and VI of the Hikma Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections X or XV of the Hikma Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Hikma Settlement Agreement, acceptance of this CA Hikma Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Hikma Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Hikma Settlement Agreement, as well as applicable law, and the Hikma Settlement Agreement governs over any inconsistent provision of this CA Hikma Allocation Agreement. Terms used in this CA Hikma Allocation Agreement have the same meaning as in the Hikma Settlement Agreement unless otherwise defined herein.

Pursuant to Section VI(D)(1) of the Hikma Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VI(B)(2) of the Hikma Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Sections X or XV of the Hikma Settlement Agreement, including payments for Private Attorney Fees, the Additional Remediation Amount, and the Settlement Product Cash Conversion Amount.[2]

4. State Allocation

The Settlement Fund payments to California, pursuant to the Hikma Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Hikma Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed

[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

[2] All Settlement Product Cash Conversion Amounts paid to California pursuant to Section XV of the Hikma Settlement Agreement shall be allocated to the State and used by the State for future Opioid Remediation.

negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Hikma Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Hikma Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Hikma Settlement Agreement and this CA Hikma Allocation Agreement shall be transferred to the State; provided however,

that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State..

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Hikma Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Hikma Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Hikma Settlement Agreement and this CA

Hikma Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Hikma Settlement Agreement and this CA Hikma Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Hikma Settlement Agreement or this CA Hikma Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Hikma Settlement Agreement or this CA Hikma Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Hikma Settlement Agreement and this CA Hikma

Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Hikma Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Hikma Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section VI.B.1 of the Hikma Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Hikma Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

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5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Hikma Settlement Agreement and this CA Hikma Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Hikma Settlement Agreement and this CA Hikma Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Hikma Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Hikma.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Hikma Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Hikma Settlement Agreement, this CA Hikma Allocation Agreement is not enforceable by any party other than the State and the CA Participating

Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Hikma Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Hikma Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Hikma Settlement is a requirement to be an Initial Participating Subdivision in the Hikma Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Hikma Settlement.

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Hikma Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Hikma Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Hikma Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Hikma Settlement Agreement and CA Hikma Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Hikma Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out
of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Hikma Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Hikma Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Hikma Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE] [SUBDIVISION SIGNATURE BLOCK]

[DATE] [COUNSEL SIGNATURE BLOCK]

[DATE] [ATTORNEY GENERAL SIGNATURE BLOCK]

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Indivior Settlement

1. Introduction

Pursuant to the Indivior Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Indivior Settlement Agreement"), including Section V and Exhibit O, the State of California proposes this agreement (the "CA Indivior Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Indivior Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections IX or XIV of the Indivior Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Indivior Settlement Agreement, acceptance of this CA Indivior Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Indivior Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Indivior Settlement Agreement, as well as applicable law, and the Indivior Settlement Agreement governs over any inconsistent provision of this CA Indivior Allocation Agreement. Terms used in this CA Indivior Allocation Agreement have the same meaning as in the Indivior Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Indivior Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Indivior Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Sections IX or XIV of the Indivior Settlement Agreement, including payments for Private Attorney Fees, the Additional Remediation Amount, and the Settlement Product Cash Conversion Amount. [2]

4. State Allocation

The Settlement Fund payments to California, pursuant to the Indivior Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Indivior Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed

[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

[2] All Settlement Product Cash Conversion Amounts paid to California pursuant to Section XIV of the Indivior Settlement Agreement shall be allocated to the State and used by the State for future Opioid Remediation.

negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Indivior Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Indivior Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Indivior Settlement Agreement and this CA Indivior Allocation Agreement shall be transferred to the State; provided

however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State..

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Indivior Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Indivior Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Indivior Settlement Agreement and this CA

Indivior Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Indivior Settlement Agreement and this CA Indivior Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Indivior Settlement Agreement or this CA Indivior Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Indivior Settlement Agreement or this CA Indivior Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used,

subject to any limits imposed by the Indivior Settlement Agreement and this CA Indivior Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Indivior Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Indivior Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section V.B.1 of the Indivior Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Indivior Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

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5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Indivior Settlement Agreement and this CA Indivior Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Indivior Settlement Agreement and this CA Indivior Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Indivior Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Indivior.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Indivior Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Indivior Settlement Agreement, this CA Indivior Allocation Agreement is not enforceable by any party other than the State and the CA Participating

Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Indivior Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Indivior Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Indivior Settlement is a requirement to be an Initial Participating Subdivision in the Indivior Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds –Indivior Settlement.

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Indivior Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**

Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Indivior Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Indivior Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Indivior Settlement Agreement and CA Indivior Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Indivior Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Indivior Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Indivior Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Indivior Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Mylan Settlement

1. Introduction

Pursuant to the Mylan Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Mylan Settlement Agreement"), including Section V and Exhibit O, the State of California proposes this agreement (the "CA Mylan Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Mylan Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section IX of the Mylan Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Mylan Settlement Agreement, acceptance of this CA Mylan Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Mylan Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Susanville Elementary School District and Lassen County Office of Education.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Mylan Settlement Agreement, as well as applicable law, and the Mylan Settlement Agreement governs over any inconsistent provision of this CA Mylan Allocation Agreement. Terms used in this CA Mylan Allocation Agreement have the same meaning as in the Mylan Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Mylan Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Mylan Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Section IX of the Mylan Settlement Agreement, including payments for Private Attorney Fees and the Additional Remediation Amount.

4. State Allocation

The Settlement Fund payments to California, pursuant to the Mylan Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Mylan Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA

[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Mylan Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Mylan Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Mylan Settlement Agreement and this CA Mylan Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State.

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Mylan Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Mylan Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Mylan Settlement Agreement and this CA Mylan Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating

Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Mylan Settlement Agreement and this CA Mylan Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Mylan Settlement Agreement or this CA Mylan Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Mylan Settlement Agreement or this CA Mylan Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Mylan Settlement Agreement and this CA Mylan Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation.

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Mylan Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Mylan Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section V(B)(1) of the Mylan Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Mylan Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

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5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Mylan Settlement Agreement and this CA Mylan Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Mylan Settlement Agreement and this CA Mylan Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Mylan Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Mylan.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Mylan Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Mylan Settlement Agreement, this CA Mylan Allocation Agreement is not enforceable by any party other than the State and the CA Participating

Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Mylan Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Mylan Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds –Mylan Settlement is a requirement to be an Initial Participating Subdivision in the Mylan Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Mylan Settlement.

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Mylan Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**

Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**

Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Mylan Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Mylan Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Mylan Settlement Agreement and CA Mylan Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Mylan Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Mylan Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Mylan Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Mylan Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Sun Settlement

1. Introduction

Pursuant to the Sun Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Sun Settlement Agreement"), including Section VI and Exhibit O, the State of California proposes this agreement (the "CA Sun Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections V and VI of the Sun Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section X of the Sun Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Sun Settlement Agreement, acceptance of this CA Sun Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Sun Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Sun Settlement Agreement, as well as applicable law, and the Sun Settlement Agreement governs over any inconsistent provision of this CA Sun Allocation Agreement. Terms used in this CA Sun Allocation Agreement have the same meaning as in the Sun Settlement Agreement unless otherwise defined herein.

Pursuant to Section VI(D)(1) of the Sun Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VI(B)(2) of the Sun Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Section X of the Sun Settlement Agreement, including payments for Private Attorney Fees and the Additional Remediation Amount.

4. State Allocation

The Settlement Fund payments to California, pursuant to the Sun Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Sun Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in

[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Sun Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Sun Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Sun Settlement Agreement and this CA Sun Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State.

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Sun Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Sun Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Sun Settlement Agreement and this CA Sun Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating

Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Sun Settlement Agreement and this CA Sun Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Sun Settlement Agreement or this CA Sun Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Sun Settlement Agreement or this CA Sun Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Sun Settlement Agreement and this CA Sun Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation.

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(Y), of the Sun Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Sun Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section VI(B)(1) of the Sun Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Sun Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

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5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Sun Settlement Agreement and this CA Sun Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Sun Settlement Agreement and this CA Sun Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VI(B)(2) of the Sun Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Sun.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Sun Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Sun Settlement Agreement, this CA Sun Allocation Agreement is not enforceable by any party other than the State and the CA Participating

Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Sun Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Sun Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds –Sun Settlement is a requirement to be an Initial Participating Subdivision in the Sun Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds –Sun Settlement.

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Sun Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Sun Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Sun Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Sun Settlement Agreement and CA Sun Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Sun Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Sun Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Sun Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Sun Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

Proposed California State-Subdivision Agreement
Regarding Distribution and Use of
Settlement Funds – Zydus Settlement

1. Introduction

Pursuant to the Zydus Settlement Agreement, dated as of April 4, 2025, and any revision thereto (the "Zydus Settlement Agreement"), including Section VI and Exhibit O, the State of California proposes this agreement (the "CA Zydus Allocation Agreement") to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections V and VI of the Zydus Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section X of the Zydus Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Zydus Settlement Agreement, acceptance of this CA Zydus Allocation Agreement is a requirement to be an Initial Participating Subdivision.

2. Definitions

a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Zydus Settlement Agreement.

b) *CA Litigating Special District* means a Litigating Special District located in California.

c) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

d) *Opioid Defendant* means any defendant including but not limited to Alvogen, Inc. Amneal Pharmaceuticals LLC; Apotex Corp., Hikma Pharmaceuticals USA Inc. f/k/a West-Ward Pharmaceuticals Corp.; Indivior Inc.; Viatris Inc. ("Mylan"); Sun Pharmaceutical Industries, Inc.; Zydus Pharmaceuticals (USA) Inc.; Kroger Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., Cencora, Inc. f/k/a AmerisourceBergen Corporation, McKesson Corporation, Dr. Richard S. Sackler, Beverly Sackler, Jonathan Sackler, David Sackler, Marianna Sackler, Theresa Sackler, Ilene Sackler Lefcourt, Dr. Kathe Sackler, and Mortimer D.A. Sackler) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

3. General Terms

This agreement is subject to the requirements of the Zydus Settlement Agreement, as well as applicable law, and the Zydus Settlement Agreement governs over any inconsistent provision of this CA Zydus Allocation Agreement. Terms used in this CA Zydus Allocation Agreement have the same meaning as in the Zydus Settlement Agreement unless otherwise defined herein.

Pursuant to Section VI(D)(1) of the Zydus Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VI(B)(2) of the Zydus Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

This Agreement does not apply to funds received by California[1] pursuant to Section X of the Zydus Settlement Agreement, including payments for Private Attorney Fees and the Additional Remediation Amount.

4. State Allocation

The Settlement Fund payments to California, pursuant to the Zydus Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Zydus Allocation Agreement, and 15% of that total shall be allocated to the State of California (the "State of California Allocation"), 70% to the California Abatement Accounts Fund ("CA Abatement Accounts Fund"), and 15% to the California Subdivision Fund ("CA Subdivision Fund").

A. State of California Allocation

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

B. CA Abatement Accounts Fund

i. Allocation of CA Abatement Accounts Funds

a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in

[1] For purposes of clarity, use of the term "California" refers to the geographic territory of California and the state and its local governments therein. The term "State" or "State of California" refers to the State of California as a governmental unit.

Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Zydus Settlement Agreement.

c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as the county is a CA Participating Subdivision; provided, however, that if a city currently receives direct payment of its share of funds in the National Opioids Settlement with Distributors Cencora, Inc. (f/k/a AmerisourceBergenCorporation), Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"), that city's Local Allocation amount will be paid directly to the city. If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Zydus Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.

f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Zydus Settlement Agreement and this CA Zydus Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State.

ii. Use of CA Abatement Accounts Funds

a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Zydus Settlement Agreement.

b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:

(1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;

(2) creating new or expanded Substance Use Disorder ("SUD") treatment infrastructure;

(3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;

(4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;

(5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or

(6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.

c) The California Department of Health Care Services ("DHCS") may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.

d) For the avoidance of doubt, and subject to the requirements of the Zydus Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Zydus Settlement Agreement and this CA Zydus Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating

Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

iii. CA Abatement Accounts Fund Oversight

a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Zydus Settlement Agreement and this CA Zydus Allocation Agreement.

b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Zydus Settlement Agreement or this CA Zydus Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.

c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.

d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Zydus Settlement Agreement or this CA Zydus Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

C. CA Subdivision Fund

i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Zydus Settlement Agreement and this CA Zydus Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation.

However, in no event shall more than one third (5% out of the 15%) of CA Subdivision Funds be used for litigation-related fees and expenses.

D. Provision for State Back-Stop Agreement

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the settlement agreements with other Opioid Defendants.

A Plaintiff Subdivision may separately agree to use up to one-third (5% out of the 15%) of its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Zydus Settlement Agreement and the MDL Fees Order, provided that: (1) such payments, together with any payments to contingency-fee counsel from the Private Attorneys Fee amount related to such Plaintiff Subdivision, do not exceed 15% of a Plaintiff Subdivision's total gross recovery under this Zydus Settlement Agreement; and (2) the Plaintiff Subdivision certifies that any payments made under a State Back-Stop agreement will be made in accordance with the 95% Opioid Abatement use requirements under Section VI(B)(1) of the Zydus Settlement Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Zydus Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 2 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 2. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

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5. State and Subdivision Reporting

a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.

b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Zydus Settlement Agreement and this CA Zydus Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.

c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.

d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Zydus Settlement Agreement and this CA Zydus Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VI(B)(2) of the Zydus Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Zydus.

e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

6. Miscellaneous

a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Zydus Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.

b) Except as provided in the Zydus Settlement Agreement, this CA Zydus Allocation Agreement is not enforceable by any party other than the State and the CA Participating

Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.

c) Except as provided in the CA Zydus Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.

d) Except as provided in the Zydus Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Ontario city, CA, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds –Zydus Settlement is a requirement to be an Initial Participating Subdivision in the Zydus Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Zydus Settlement.

Signature: _____

Name: _____

Title: _____

Date: _____

APPENDIX 1

DISCLAIMER: The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Zydus Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled "Abatement Percentage," pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled "Plaintiff Subdivision Percentage," payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled "Abatement Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled "Plaintiff Subdivision Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled "Weighted Allocation Percentage," the annotation of "100%" refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

			100.000%	100.000%	100.000%
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Alameda County***	Alameda	2.332%	2.853%	**2.4237952%**
City	Alameda	Alameda	0.069%		**0.0570162%**
City	Albany	Alameda	0.013%		**0.0107768%**
City	Berkeley	Alameda	0.152%		**0.1249656%**
City	Dublin	Alameda	0.033%	0.040%	**0.0338810%**
City	Emeryville	Alameda	0.023%		**0.0185765%**
City	Fremont	Alameda	0.108%		**0.0888576%**
City	Hayward	Alameda	0.117%		**0.0966218%**
City	Livermore	Alameda	0.054%		**0.0446740%**
City	Newark	Alameda	0.026%		**0.0217626%**
City	Oakland	Alameda	0.486%	0.595%	**0.5055601%**
City	Piedmont	Alameda	0.014%		**0.0114064%**
City	Pleasanton	Alameda	0.067%		**0.0554547%**
City	San Leandro	Alameda	0.039%		**0.0321267%**
City	Union City	Alameda	0.043%		**0.0352484%**
County	***Amador County***	Amador	0.226%	0.277%	**0.2349885%**
County	***Butte County***	Butte	1.615%	1.975%	**1.6783178%**
City	Chico	Butte	0.216%	0.264%	**0.2246499%**
City	Oroville	Butte	0.079%		**0.0646595%**
County	***Calaveras County***	Calaveras	0.226%	0.277%	**0.2351644%**
County	***Colusa County***	Colusa	0.059%		**0.0489221%**
County	***Contra Costa County***	Contra Costa	2.102%	2.571%	**2.1844585%**
City	Antioch	Contra Costa	0.037%		**0.0301879%**
City	Brentwood	Contra Costa	0.026%		**0.0215339%**
City	Clayton	Contra Costa	0.002%		**0.0018060%**
City	Concord	Contra Costa	0.055%		**0.0456676%**
City	Danville	Contra Costa	0.010%		**0.0082255%**
City	El Cerrito	Contra Costa	0.023%		**0.0189024%**
City	Hercules	Contra Costa	0.010%		**0.0078273%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Lafayette	Contra Costa	0.006%		**0.0046030%**

City	Martinez	Contra Costa	0.012%		**0.0098593%**
City	Moraga	Contra Costa	0.004%		**0.0031007%**
City	Oakley	Contra Costa	0.010%		**0.0079416%**
City	Orinda	Contra Costa	0.005%		**0.0038157%**
City	Pinole	Contra Costa	0.013%		**0.0110909%**
City	Pittsburg	Contra Costa	0.053%		**0.0436369%**
City	Pleasant Hill	Contra Costa	0.013%		**0.0106309%**
City	Richmond	Contra Costa	0.146%		**0.1201444%**
City	San Pablo	Contra Costa	0.018%		**0.0148843%**
City	San Ramon	Contra Costa	0.021%		**0.0176459%**
City	Walnut Creek	Contra Costa	0.026%		**0.0212132%**
County	***Del Norte County***	Del Norte	0.114%	0.140%	**0.1189608%**
County	***El Dorado County***	El Dorado	0.768%	0.939%	**0.7980034%**
City	Placerville	El Dorado	0.015%		**0.0127642%**
City	South Lake Tahoe	El Dorado	0.081%		**0.0665456%**
County	***Fresno County***	Fresno	1.895%	2.318%	**1.9693410%**
City	Clovis	Fresno	0.065%		**0.0536211%**
City	Coalinga	Fresno	0.012%		**0.0098554%**
City	Fresno	Fresno	0.397%		**0.3270605%**
City	Kerman	Fresno	0.005%		**0.0042534%**
City	Kingsburg	Fresno	0.008%		**0.0066167%**
City	Mendota	Fresno	0.002%		**0.0019387%**
City	Orange Cove	Fresno	0.004%		**0.0035607%**
City	Parlier	Fresno	0.008%		**0.0069755%**
City	Reedley	Fresno	0.012%		**0.0098804%**
City	Sanger	Fresno	0.018%		**0.0146135%**
City	Selma	Fresno	0.015%		**0.0127537%**
County	***Glenn County***	Glenn	0.107%	0.131%	**0.1116978%**
County	***Humboldt County***	Humboldt	1.030%	1.260%	**1.0703185%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Arcata	Humboldt	0.054%		**0.0447660%**
City	Eureka	Humboldt	0.117%	0.143%	**0.1216284%**
City	Fortuna	Humboldt	0.032%		**0.0266837%**
County	***Imperial County***	Imperial	0.258%	0.315%	**0.2679006%**
City	Brawley	Imperial	0.011%		**0.0087986%**

City	Calexico	Imperial	0.019%		**0.0152799%**
City	El Centro	Imperial	0.158%		**0.1302522%**
City	Imperial	Imperial	0.006%		**0.0048791%**
County	***Inyo County***	Inyo	0.073%	0.089%	**0.0754413%**
County	***Kern County***	Kern	2.517%	3.079%	**2.6159145%**
City	Arvin	Kern	0.006%		**0.0046425%**
City	Bakersfield	Kern	0.212%		**0.1747198%**
City	California City	Kern	0.009%		**0.0070820%**
City	Delano	Kern	0.030%		**0.0249316%**
City	McFarland	Kern	0.003%		**0.0025644%**
City	Ridgecrest	Kern	0.015%		**0.0120938%**
City	Shafter	Kern	0.013%		**0.0103417%**
City	Tehachapi	Kern	0.009%		**0.0073580%**
City	Wasco	Kern	0.008%		**0.0069861%**
County	***Kings County***	Kings	0.293%		**0.2413469%**
City	Avenal	Kings	0.007%		**0.0056335%**
City	Corcoran	Kings	0.013%		**0.0107032%**
City	Hanford	Kings	0.027%		**0.0226038%**
City	Lemoore	Kings	0.016%		**0.0131900%**
County	***Lake County***	Lake	0.795%		**0.6545389%**
City	Clearlake	Lake	0.041%	0.050%	**0.0426253%**
City	Lakeport	Lake	0.021%	0.026%	**0.0222964%**
County	***Lassen County***	Lassen	0.319%	0.391%	**0.3320610%**
City	Susanville	Lassen	0.027%		**0.0219295%**
County	***Los Angeles County***	Los Angeles	13.896%	16.999%	**14.4437559%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Agoura Hills	Los Angeles	0.005%		**0.0040024%**
City	Alhambra	Los Angeles	0.042%		**0.0343309%**
City	Arcadia	Los Angeles	0.033%		**0.0267718%**
City	Artesia	Los Angeles	0.001%		**0.0005100%**
City	Azusa	Los Angeles	0.026%		**0.0210857%**
City	Baldwin Park	Los Angeles	0.027%		**0.0218520%**
City	Bell	Los Angeles	0.008%		**0.0068783%**
City	Bellflower	Los Angeles	0.002%		**0.0014485%**
City	Bell Gardens	Los Angeles	0.014%		**0.0114301%**

City	Beverly Hills	Los Angeles	0.065%		**0.0534897%**
City	Burbank	Los Angeles	0.100%		**0.0823132%**
City	Calabasas	Los Angeles	0.006%		**0.0048948%**
City	Carson	Los Angeles	0.019%		**0.0159805%**
City	Cerritos	Los Angeles	0.005%		**0.0039682%**
City	Claremont	Los Angeles	0.010%		**0.0082584%**
City	Commerce	Los Angeles	0.000%		**0.0002971%**
City	Compton	Los Angeles	0.044%		**0.0361882%**
City	Covina	Los Angeles	0.028%		**0.0229127%**
City	Cudahy	Los Angeles	0.001%		**0.0006020%**
City	Culver City	Los Angeles	0.055%		**0.0449894%**
City	Diamond Bar	Los Angeles	0.001%		**0.0006993%**
City	Downey	Los Angeles	0.052%		**0.0429994%**
City	Duarte	Los Angeles	0.003%		**0.0027261%**
City	El Monte	Los Angeles	0.031%	0.038%	**0.0318985%**
City	El Segundo	Los Angeles	0.033%		**0.0268020%**
City	Gardena	Los Angeles	0.034%		**0.0278088%**
City	Glendale	Los Angeles	0.166%		**0.1366586%**
City	Glendora	Los Angeles	0.016%		**0.0134411%**
City	Hawaiian Gardens	Los Angeles	0.005%		**0.0040549%**
City	Hawthorne	Los Angeles	0.050%		**0.0407833%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Hermosa Beach	Los Angeles	0.018%		**0.0145307%**
City	Huntington Park	Los Angeles	0.023%		**0.0190667%**
City	Inglewood	Los Angeles	0.059%		**0.0489195%**
City	La Canada Flintridge	Los Angeles	0.003%		**0.0025565%**
City	Lakewood	Los Angeles	0.005%		**0.0039971%**
City	La Mirada	Los Angeles	0.010%		**0.0081572%**
City	Lancaster	Los Angeles	0.045%		**0.0369689%**
City	La Puente	Los Angeles	0.002%		**0.0012999%**
City	La Verne	Los Angeles	0.024%		**0.0194190%**
City	Lawndale	Los Angeles	0.002%		**0.0017731%**
City	Lomita	Los Angeles	0.004%		**0.0031940%**
City	Long Beach	Los Angeles	0.439%		**0.3614151%**
City	Los Angeles	Los Angeles	2.715%	3.321%	**2.8218811** %

City	Lynwood	Los Angeles	0.016%		**0.0134345%**
City	Malibu	Los Angeles	0.002%		**0.0019269%**
City	Manhattan Beach	Los Angeles	0.032%		**0.0260686%**
City	Maywood	Los Angeles	0.004%		**0.0035528%**
City	Monrovia	Los Angeles	0.031%		**0.0254455%**
City	Montebello	Los Angeles	0.030%		**0.0250670%**
City	Monterey Park	Los Angeles	0.031%		**0.0256677%**
City	Norwalk	Los Angeles	0.031%		**0.0258228%**
City	Palmdale	Los Angeles	0.046%		**0.0375827%**
City	Palos Verdes Estates	Los Angeles	0.006%		**0.0053102%**
City	Paramount	Los Angeles	0.011%		**0.0091483%**
City	Pasadena	Los Angeles	0.146%		**0.1200524%**
City	Pico Rivera	Los Angeles	0.022%		**0.0183333%**
City	Pomona	Los Angeles	0.111%		**0.0911933%**
City	Rancho Palos Verdes	Los Angeles	0.002%		**0.0012645%**
City	Redondo Beach	Los Angeles	0.062%		**0.0506992%**
City	Rosemead	Los Angeles	0.003%		**0.0028260%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	San Dimas	Los Angeles	0.003%		**0.0022016%**
City	San Fernando	Los Angeles	0.013%		**0.0104837%**
City	San Gabriel	Los Angeles	0.018%		**0.0147726%**
City	San Marino	Los Angeles	0.009%		**0.0073791%**
City	Santa Clarita	Los Angeles	0.022%		**0.0178167%**
City	Santa Fe Springs	Los Angeles	0.031%		**0.0257531%**
City	Santa Monica	Los Angeles	0.158%		**0.1298513%**
City	Sierra Madre	Los Angeles	0.006%		**0.0048646%**
City	Signal Hill	Los Angeles	0.010%		**0.0084884%**
City	South El Monte	Los Angeles	0.005%		**0.0039603%**
City	South Gate	Los Angeles	0.020%		**0.0166272%**
City	South Pasadena	Los Angeles	0.012%		**0.0095334%**
City	Temple City	Los Angeles	0.005%		**0.0039498%**
City	Torrance	Los Angeles	0.112%		**0.0919820%**
City	Walnut	Los Angeles	0.006%		**0.0047305%**
City	West Covina	Los Angeles	0.049%		**0.0404521%**
City	West Hollywood	Los Angeles	0.013%		**0.0108517%**

City	Whittier	Los Angeles	0.032%		**0.0260581%**
County	***Madera County***	Madera	0.349%	0.427%	**0.3630669%**
City	Chowchilla	Madera	0.012%		**0.0097332%**
City	Madera	Madera	0.039%		**0.0318441%**
County	***Marin County***	Marin	0.564%	0.690%	**0.5861325%**
City	Larkspur	Marin	0.015%		**0.0124697%**
City	Mill Valley	Marin	0.020%		**0.0168401%**
City	Novato	Marin	0.028%		**0.0229824%**
City	San Anselmo	Marin	0.009%		**0.0078062%**
City	San Rafael	Marin	0.089%		**0.0729823%**
County	***Mariposa County***	Mariposa	0.084%	0.103%	**0.0876131%**
County	***Mendocino County***	Mendocino	0.439%	0.536%	**0.4558394%**
City	Ukiah	Mendocino	0.039%		**0.0317153%**

Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
County	***Merced County***	Merced	0.551%	0.674%	**0.5724262%**
City	Atwater	Merced	0.024%		**0.0195846%**
City	Livingston	Merced	0.006%		**0.0045873%**
City	Los Banos	Merced	0.020%		**0.0165142%**
City	Merced	Merced	0.061%		**0.0500762%**
County	***Modoc County***	Modoc	0.065%	0.080%	**0.0678250%**
County	***Mono County***	Mono	0.023%	0.029%	**0.0242606%**
County	***Monterey County***	Monterey	0.908%	1.111%	**0.9437083%**
City	Greenfield	Monterey	0.006%		**0.0050552%**
City	King City	Monterey	0.005%		**0.0037355%**
City	Marina	Monterey	0.017%		**0.0144098%**
City	Monterey	Monterey	0.041%		**0.0336540%**
City	Pacific Grove	Monterey	0.009%		**0.0074842%**
City	Salinas	Monterey	0.094%		**0.0776576%**
City	Seaside	Monterey	0.023%		**0.0191772%**
City	Soledad	Monterey	0.007%		**0.0060870%**
County	***Napa County***	Napa	0.288%	0.352%	**0.2994325%**
City	American Canyon	Napa	0.017%		**0.0136869%**
City	Napa	Napa	0.078%		**0.0642783%**
County	***Nevada County***	Nevada	0.441%	0.539%	**0.4579827%**
City	Grass Valley	Nevada	0.024%		**0.0197805%**

City	Truckee	Nevada	0.003%		**0.0023843%**
County	***Orange County***	Orange	4.364%	5.339%	**4.5363576%**
City	Aliso Viejo	Orange	0.014%		**0.0113841%**
City	Anaheim	Orange	0.554%	0.678%	**0.5759282%**
City	Brea	Orange	0.086%		**0.0708897%**
City	Buena Park	Orange	0.087%		**0.0714352%**
City	Costa Mesa	Orange	0.124%	0.152%	**0.1288366%**
City	Cypress	Orange	0.033%		**0.0271937%**
City	Dana Point	Orange	0.001%		**0.0005560%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Fountain Valley	Orange	0.055%		**0.0455980%**
City	Fullerton	Orange	0.137%	0.168%	**0.1425744%**
City	Garden Grove	Orange	0.213%		**0.1752482%**
City	Huntington Beach	Orange	0.247%	0.302%	**0.2568420%**
City	Irvine	Orange	0.139%	0.170%	**0.1442350%**
City	Laguna Beach	Orange	0.047%	0.058%	**0.0493043%**
City	Laguna Hills	Orange	0.014%		**0.0115457%**
City	Laguna Niguel	Orange	0.001%		**0.0007071%**
City	Laguna Woods	Orange	0.001%		**0.0006546%**
City	La Habra	Orange	0.060%	0.073%	**0.0621049%**
City	Lake Forest	Orange	0.012%		**0.0101249%**
City	La Palma	Orange	0.012%		**0.0095439%**
City	Los Alamitos	Orange	0.008%		**0.0069190%**
City	Mission Viejo	Orange	0.014%		**0.0117560%**
City	Newport Beach	Orange	0.179%		**0.1470134%**
City	Orange	Orange	0.150%		**0.1231320%**
City	Placentia	Orange	0.029%	0.035%	**0.0298912%**
City	Rancho Santa Margarita	Orange	0.001%		**0.0006296%**
City	San Clemente	Orange	0.008%	0.010%	**0.0086083%**
City	San Juan Capistrano	Orange	0.008%		**0.0065510%**
City	Santa Ana	Orange	0.502%	0.614%	**0.5213866%**
City	Seal Beach	Orange	0.020%		**0.0165891%**
City	Stanton	Orange	0.035%		**0.0291955%**
City	Tustin	Orange	0.073%		**0.0600341%**
City	Westminster	Orange	0.104%	0.127%	**0.1082721%**

City	Yorba Linda	Orange	0.044%		**0.0362223%**
County	***Placer County***	Placer	1.045%	1.278%	**1.0861002%**
City	Auburn	Placer	0.017%		**0.0141114%**
City	Lincoln	Placer	0.031%		**0.0255599%**
City	Rocklin	Placer	0.076%		**0.0625485%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Roseville	Placer	0.196%		**0.1616559%**
County	***Plumas County***	Plumas	0.205%	0.251%	**0.2128729%**
County	***Riverside County***	Riverside	4.534%	5.547%	**4.7128296%**
City	Banning	Riverside	0.017%		**0.0143848%**
City	Beaumont	Riverside	0.021%		**0.0171135%**
City	Blythe	Riverside	0.012%		**0.0096714%**
City	Canyon Lake	Riverside	0.000%		**0.0001761%**
City	Cathedral City	Riverside	0.067%		**0.0553614%**
City	Coachella	Riverside	0.021%		**0.0173054%**
City	Corona	Riverside	0.147%		**0.1207083%**
City	Desert Hot Springs	Riverside	0.024%		**0.0200433%**
City	Eastvale	Riverside	0.000%		**0.0002747%**
City	Hemet	Riverside	0.051%		**0.0421792%**
City	Indio	Riverside	0.056%		**0.0457794%**
City	Jurupa Valley	Riverside	0.001%		**0.0008991%**
City	Lake Elsinore	Riverside	0.021%		**0.0172949%**
City	La Quinta	Riverside	0.063%		**0.0516732%**
City	Menifee	Riverside	0.032%		**0.0260909%**
City	Moreno Valley	Riverside	0.137%		**0.1130348%**
City	Murrieta	Riverside	0.048%	0.059%	**0.0497423%**
City	Norco	Riverside	0.016%		**0.0134542%**
City	Palm Desert	Riverside	0.083%		**0.0682465%**
City	Palm Springs	Riverside	0.076%		**0.0629862%**
City	Perris	Riverside	0.009%		**0.0076774%**
City	Rancho Mirage	Riverside	0.052%		**0.0431098%**
City	Riverside	Riverside	0.268%		**0.2206279%**
City	San Jacinto	Riverside	0.010%		**0.0085936%**
City	Temecula	Riverside	0.022%		**0.0180086%**
City	Wildomar	Riverside	0.008%		**0.0062500%**

County	***Sacramento County***	Sacramento	3.797%	4.645%	**3.9465887%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Citrus Heights	Sacramento	0.057%		**0.0465312%**
City	Elk Grove	Sacramento	0.130%		**0.1066994%**
City	Folsom	Sacramento	0.108%		**0.0890850%**
City	Galt	Sacramento	0.017%		**0.0143704%**
City	Rancho Cordova	Sacramento	0.008%		**0.0067679%**
City	Sacramento	Sacramento	0.721%	0.882%	**0.7496530%**
County	***San Benito County***	San Benito	0.106%	0.130%	**0.1101417%**
City	Hollister	San Benito	0.027%		**0.0225355%**
County	***San Bernardino County***	San Bernardino	3.259%	3.987%	**3.3878124%**
City	Adelanto	San Bernardino	0.008%		**0.0066640%**
City	Apple Valley	San Bernardino	0.025%		**0.0207360%**
City	Barstow	San Bernardino	0.015%		**0.0122056%**
City	Chino	San Bernardino	0.064%		**0.0525893%**
City	Chino Hills	San Bernardino	0.001%		**0.0006388%**
City	Colton	San Bernardino	0.031%		**0.0253443%**
City	Fontana	San Bernardino	0.112%		**0.0920543%**
City	Grand Terrace	San Bernardino	0.006%		**0.0051051%**
City	Hesperia	San Bernardino	0.035%		**0.0291522%**
City	Highland	San Bernardino	0.004%		**0.0029061%**
City	Loma Linda	San Bernardino	0.009%		**0.0071188%**
City	Montclair	San Bernardino	0.039%		**0.0322108%**
City	Ontario	San Bernardino	0.179%		**0.1472934%**
City	Rancho Cucamonga	San Bernardino	0.084%		**0.0689431%**
City	Redlands	San Bernardino	0.057%		**0.0469150%**
City	Rialto	San Bernardino	0.073%		**0.0603206%**
City	San Bernardino	San Bernardino	0.178%		**0.1461880%**
City	Twentynine Palms	San Bernardino	0.002%		**0.0012605%**
City	Upland	San Bernardino	0.052%		**0.0424460%**
City	Victorville	San Bernardino	0.033%		**0.0269400%**
City	Yucaipa	San Bernardino	0.016%		**0.0128772%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**

City	Yucca Valley	San Bernardino	0.003%		**0.0021228%**
County	***San Diego County***	San Diego	5.706%	6.980%	**5.9309748%**
City	Carlsbad	San Diego	0.128%		**0.1050485%**
City	Chula Vista	San Diego	0.189%	0.231%	**0.1961456%**
City	Coronado	San Diego	0.044%		**0.0359095%**
City	El Cajon	San Diego	0.113%		**0.0933582%**
City	Encinitas	San Diego	0.061%	0.074%	**0.0630289%**
City	Escondido	San Diego	0.145%		**0.1192204%**
City	Imperial Beach	San Diego	0.014%		**0.0118283%**
City	La Mesa	San Diego	0.055%	0.068%	**0.0575593%**
City	Lemon Grove	San Diego	0.022%		**0.0183911%**
City	National City	San Diego	0.080%		**0.0656808%**
City	Oceanside	San Diego	0.213%		**0.1753428%**
City	Poway	San Diego	0.062%		**0.0511040%**
City	San Diego	San Diego	1.975%	2.416%	**2.0531169%**
City	San Marcos	San Diego	0.089%		**0.0733897%**
City	Santee	San Diego	0.033%		**0.0268401%**
City	Solana Beach	San Diego	0.017%		**0.0138564%**
City	Vista	San Diego	0.052%		**0.0425144%**
Consolidated	***San Francisco***	San Francisco	3.026%	3.702%	**3.1457169%**
County	***San Joaquin County***	San Joaquin	1.680%	2.055%	**1.7460399%**
City	Lathrop	San Joaquin	0.009%		**0.0075394%**
City	Lodi	San Joaquin	0.053%		**0.0439484%**
City	Manteca	San Joaquin	0.054%		**0.0443454%**
City	Ripon	San Joaquin	0.013%		**0.0104219%**
City	Stockton	San Joaquin	0.313%	0.383%	**0.3256176%**
City	Tracy	San Joaquin	0.084%		**0.0692047%**
County	***San Luis Obispo County***	San Luis Obispo	0.816%	0.999%	**0.8484126%**
City	Arroyo Grande	San Luis Obispo	0.024%		**0.0199053%**
City	Atascadero	San Luis Obispo	0.029%		**0.0240680%**

Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		**0.0353456%**
City	Grover Beach	San Luis Obispo	0.017%		**0.0137881%**
City	Morro Bay	San Luis Obispo	0.020%		**0.0160922%**
City	San Luis Obispo	San Luis Obispo	0.077%		**0.0637841%**

County	***San Mateo County***	San Mateo	1.074%	1.313%	**1.1159599%**
City	Belmont	San Mateo	0.021%		**0.0169860%**
City	Burlingame	San Mateo	0.019%		**0.0152537%**
City	Daly City	San Mateo	0.044%		**0.0363880%**
City	East Palo Alto	San Mateo	0.013%		**0.0103982%**
City	Foster City	San Mateo	0.020%		**0.0166101%**
City	Half Moon Bay	San Mateo	0.004%		**0.0031638%**
City	Hillsborough	San Mateo	0.013%		**0.0110029%**
City	Menlo Park	San Mateo	0.015%		**0.0126209%**
City	Millbrae	San Mateo	0.013%		**0.0105836%**
City	Pacifica	San Mateo	0.016%		**0.0130625%**
City	Redwood City	San Mateo	0.056%		**0.0463511%**
City	San Bruno	San Mateo	0.021%		**0.0172161%**
City	San Carlos	San Mateo	0.013%		**0.0108885%**
City	San Mateo	San Mateo	0.052%		**0.0425841%**
City	South San Francisco	San Mateo	0.043%		**0.0353943%**
County	***Santa Barbara County***	Santa Barbara	1.132%	1.385%	**1.1768968%**
City	Carpinteria	Santa Barbara	0.001%		**0.0008938%**
City	Goleta	Santa Barbara	0.004%		**0.0028969%**
City	Lompoc	Santa Barbara	0.047%		**0.0389379%**
City	Santa Barbara	Santa Barbara	0.122%		**0.1004559%**
City	Santa Maria	Santa Barbara	0.058%		**0.0479179%**
County	***Santa Clara County***	Santa Clara	2.404%	2.941%	**2.4987553%**
City	Campbell	Santa Clara	0.014%		**0.0112566%**
City	Cupertino	Santa Clara	0.008%		**0.0066824%**
City	Gilroy	Santa Clara	0.025%		**0.0202891%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Los Altos	Santa Clara	0.013%		**0.0103338%**
City	Los Gatos	Santa Clara	0.013%		**0.0103220%**
City	Milpitas	Santa Clara	0.036%		**0.0298120%**
City	Morgan Hill	Santa Clara	0.015%		**0.0124619%**
City	Mountain View	Santa Clara	0.041%		**0.0334608%**
City	Palo Alto	Santa Clara	0.039%		**0.0323080%**
City	San Jose	Santa Clara	0.294%	0.360%	**0.3054960%**
City	Santa Clara	Santa Clara	0.067%		**0.0549723%**

City	Saratoga	Santa Clara	0.004%		**0.0034161%**
City	Sunnyvale	Santa Clara	0.053%		**0.0434069%**
County	***Santa Cruz County***	Santa Cruz	0.783%	0.957%	**0.8135396%**
City	Capitola	Santa Cruz	0.020%		**0.0168191%**
City	Santa Cruz	Santa Cruz	0.143%		**0.1180348%**
City	Scotts Valley	Santa Cruz	0.015%		**0.0126525%**
City	Watsonville	Santa Cruz	0.063%		**0.0520136%**
County	***Shasta County***	Shasta	1.095%	1.339%	**1.1380191%**
City	Anderson	Shasta	0.024%		**0.0198896%**
City	Redding	Shasta	0.284%		**0.2334841%**
City	Shasta Lake	Shasta	0.004%		**0.0031993%**
County	***Siskiyou County***	Siskiyou	0.228%	0.279%	**0.2373393%**
County	***Solano County***	Solano	0.760%		**0.6260795%**
City	Benicia	Solano	0.031%		**0.0253903%**
City	Dixon	Solano	0.016%		**0.0130849%**
City	Fairfield	Solano	0.109%		**0.0897317%**
City	Suisun City	Solano	0.021%		**0.0176183%**
City	Vacaville	Solano	0.119%		**0.0976497%**
City	Vallejo	Solano	0.167%		**0.1373644%**
County	***Sonoma County***	Sonoma	1.218%	1.490%	**1.2661290%**
City	Healdsburg	Sonoma	0.032%		**0.0266929%**
City	Petaluma	Sonoma	0.081%		**0.0667507%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Rohnert Park	Sonoma	0.041%		**0.0340759%**
City	Santa Rosa	Sonoma	0.184%		**0.1519070%**
City	Sonoma	Sonoma	0.022%		**0.0183438%**
City	Windsor	Sonoma	0.016%		**0.0129298%**
County	***Stanislaus County***	Stanislaus	1.722%		**1.4182273%**
City	Ceres	Stanislaus	0.041%		**0.0340260%**
City	Modesto	Stanislaus	0.217%		**0.1788759%**
City	Newman	Stanislaus	0.006%		**0.0046964%**
City	Oakdale	Stanislaus	0.018%		**0.0145531%**
City	Patterson	Stanislaus	0.015%		**0.0126590%**
City	Riverbank	Stanislaus	0.010%		**0.0085699%**
City	Turlock	Stanislaus	0.065%		**0.0531966%**

County	***Sutter County***	Sutter	0.306%	0.374%	**0.3179548%**
City	Yuba City	Sutter	0.074%		**0.0606242%**
County	***Tehama County***	Tehama	0.213%	0.261%	**0.2216654%**
City	Red Bluff	Tehama	0.014%		**0.0117771%**
County	***Trinity County***	Trinity	0.082%	0.101%	**0.0855476%**
County	***Tulare County***	Tulare	0.809%	0.990%	**0.8410949%**
City	Dinuba	Tulare	0.014%		**0.0116929%**
City	Exeter	Tulare	0.004%		**0.0032479%**
City	Farmersville	Tulare	0.003%		**0.0027879%**
City	Lindsay	Tulare	0.007%		**0.0057111%**
City	Porterville	Tulare	0.021%		**0.0171845%**
City	Tulare	Tulare	0.037%		**0.0302273%**
City	Visalia	Tulare	0.066%		**0.0545872%**
County	***Tuolumne County***	Tuolumne	0.486%	0.594%	**0.5047621%**
County	***Ventura County***	Ventura	2.192%	2.681%	**2.2781201%**
City	Camarillo	Ventura	0.002%		**0.0012815%**
City	Fillmore	Ventura	0.002%		**0.0020294%**
City	Moorpark	Ventura	0.008%		**0.0067337%**
Participating Subdivision Classification	**Participating Subdivision**	**County**	**Abatement Percentage**	**Plaintiff Subdivision Percentage**	**Weighted Allcation Percentage**
City	Oxnard	Ventura	0.156%	0.190%	**0.1617338%**
City	Port Hueneme	Ventura	0.021%		**0.0174145%**
City	San Buenaventura (Ventura)	Ventura	0.085%		**0.0702181%**
City	Santa Paula	Ventura	0.014%		**0.0119072%**
City	Simi Valley	Ventura	0.065%		**0.0533043%**
City	Thousand Oaks	Ventura	0.022%		**0.0179902%**
County	***Yolo County***	Yolo	0.357%	0.437%	**0.3713319%**
City	Davis	Yolo	0.055%		**0.0451747%**
City	West Sacramento	Yolo	0.066%		**0.0544321%**
City	Woodland	Yolo	0.058%		**0.0477904%**
County	***Yuba County***	Yuba	0.214%	0.262%	**0.2225679%**
City	Marysville	Yuba	0.014%		**0.0112079%**

APPENDIX 2

CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Zydus Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Zydus Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Zydus Settlement Agreement and CA Zydus Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Zydus Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL] from [SUBDIVISION'S] CA Subdivision Fund allocation will not exceed [PERCENTAGE NOT TO EXCEED ONE-THIRD OR 5% OUT OF THE 15%] out of the [SUBDIVISION'S] 15% CA Subdivision Fund allocation; provided further that such payments, together with any contingency-fees that [COUNSEL] may receive from the Attorney Fee Fund will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Zydus Settlement Agreement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Zydus Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Zydus Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Communications and Community Relations Prepared By: Vanny Khu Staff Member Presenting: Dan Bell, Executive Director of Communications and Community Relations Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 13

SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH INTERPERSONAL FREQUENCY, LLC, FOR WEBSITE REDESIGN SERVICES

RECOMMENDATION: That the City Council approve and authorize the City Manager, or his designee, to execute Amendment No. 2 to the Professional Services Agreement with Interpersonal Frequency, LLC, of McLean, VA, for website translation services, increasing the contract amount by $54,769 for a total contract not-to-exceed amount of $1,100,357 and to extend the term to September 4, 2028.

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

FISCAL IMPACT: The proposed Amendment No. 2 will increase the authorized contract amount of $1,045,588 by $11,304 for year one, $8,295 in year two, and $8,710 in year three for the Weglot module, as well as $8,820 annually for three years for the Swiftype module, for a new total not-to-exceed contract amount of $1,100,357. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the General Fund and the Information Technology Fund. If approved, appropriations will be added to the future years' budgets consistent with the annual budget adoption process.

BACKGROUND & ANALYSIS: The City of Ontario has engaged Interpersonal Frequency LLC since 2021 to support and manage the City's main website. On September 5, 2023, the City Council approved a new agreement for Interpersonal Frequency to redesign the main City website and two microsites - Economic Development and the Museum - and to extend the maintenance and support through September 2026 for a not-to-exceed amount of $1,001,975.

On September 17, 2024, the City Council approved Amendment No.1 to increase the not-to-exceed contract amount to $1,045,588 for additional design elements that were not in the original agreement. The enhancements aimed to improve user-friendliness, strengthen accessibility, and reinforce the City's branding.

Amendment No. 2 proposes the purchase and implementation of Weglot, a translation and localization service, for the City's main website and microsites, along with licensing for Swiftype search. Weglot will provide seamless translation of website content into up to 10 languages. This will significantly improve accessibility and inclusivity on the City's websites by ensuring that residents and visitors can easily access information on City programs, services, and initiatives in their preferred language. Swiftype will enhance the Think Business website by enabling faster and more accurate searches through its built-in search bar. Approval of Amendment No. 2 will enable the City to move forward with these enhancements, ensuring its digital platforms better serve Ontario's diverse community.

CITY OF ONTARIO
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PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND INTERPERSONAL FREQUENCY, LLC

1. Parties and Date.

This Amendment No. 2 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and Interpersonal Frequency, LLC, 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 "Professional Services Agreement" dated September 5, 2023 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to include website translation services to the scope of work, increase the total not-to-exceed compensation by $54,769, for a new not-to-exceed amount of $1,100,357, and extend the term for 2 additional years to September 4, 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. Exhibit "A" – Scope of Services is hereby amended to add Attachment "A", which is hereto and incorporated herein by reference. All other previously added or deleted scope of services are retained in their entirety.

Section 3.1.1 of the Agreement is hereby amended in its entirety to read as follows:

> Section 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 Website Design and Maintenance consulting services necessary for the Project ("Service"). The Services are more particularly described in Attachment "A" attached hereto and incorporated herein by reference. All services shall be subject to, and performed in accordance with, this Agreement, the attached attachments hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations."

Section 3.1.2 of the Agreement is hereby amended in its entirety to read as follows:

> Section 3.1.2 Term. The term of this Agreement shall be from September 5, 2023, to September 4, 2028, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement. 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.

Section 3.2.1 of the Agreement is hereby amended in its entirety to read as follows:

> Section 3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A" attached hereto and incorporated herein by reference. The total compensation shall not exceed one million, one-hundred thousand, three-hundred fifty-seven dollars ($1,100,357) without written approval of the City Council of City Manager, as applicable. Extra Work may authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in the Agreement."

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 INTERPERSONAL FREQUENCY, LLC

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

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

INTERPERSONAL FREQUENCY, LLC

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

ATTACHMENT A

Interpersonal Frequency

City of Ontario, CA - Weglot Language Translation

City of Ontario, California
303 East B Street
Ontario, CA 91764
United States

Reference: 20250708-172636457
Quote created: July 8, 2025
Quote expires: October 6, 2025
Quote created by: Luke Wildeboer

luke@ifsight.com

Jessica DePhillips
jdephillips@ontarioca.gov
(909) 395-2745

Comments from Luke Wildeboer

Products & Services

Item & Description	Total
Weglot Tool Implementation Implementation hours for the Weglot Translation Tool. • 10 Hours.	$1,702.00
Weglot Translation (Year 1) Translation service provided by Weglot (or equivalent) for up to 10 languages. This service allows for seamless translation of website content, providing a better user experience for multilingual audiences. Includes our responsive display of language selectors in the native language. Highly accurate translation library and allows for manual override of translations to provide even more accuracy. Annual cost for Weglot Translation API for website. Price based on <2 million words / annual translation volume. Includes 10 languages for translation. • Covers period Sept 5, 2025 - Sept 4, 2026	$7,900.00 / year

Item & Description	Total
Weglot Translation (Year 2) Translation service provided by Weglot (or equivalent) for up to 10 languages. This service allows for seamless translation of website content, providing a better user experience for multilingual audiences. Includes our responsive display of language selectors in the native language. Highly accurate translation library and allows for manual override of translations to provide even more accuracy. Annual cost for Weglot Translation API for website. Price based on <2 million words / annual translation volume. Includes 10 languages for translation. ▪ Covers period Sept 5, 2026 - Sept 4, 2027	$8,295.00 / year
Weglot Translation (Year 3) Translation service provided by Weglot (or equivalent) for up to 10 languages. This service allows for seamless translation of website content, providing a better user experience for multilingual audiences. Includes our responsive display of language selectors in the native language. Highly accurate translation library and allows for manual override of translations to provide even more accuracy. Annual cost for Weglot Translation API for website. Price based on <2 million words / annual translation volume. Includes 10 languages for translation. ▪ Covers period Sept 5, 2027 - Sept 4, 2028	$8,710.00 / year
(Optional): Weglot URL Append If desired, a url append can be created allowing for direct linking to the site in a specific language. ▪ Example: www.yoursite.com/es would render the site in spanish. ▪ 10 hours for setup and implementation	$1,702.00

Annual subtotal	$24,905.00
One-time subtotal	$3,404.00
Total	**$28,309.00**

Purchase terms

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Thomas Palmieri Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Albert G Gastelum, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 14

SUBJECT: AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH ALBERT A. WEBB ASSOCIATES INC. FOR WELL NO. 53 PROJECT

RECOMMENDATION: That the City Council approve and authorize the City Manager, or designee, to execute Amendment No. 2 to the Design Services Agreement with Albert A. Webb Associates Inc. of Riverside, California, for additional design services for Well No. 53 Project, OMUC Contract No. UT1063 in the amount of $124,393 for a new total revised not-to-exceed amount of $690,399 and a term from August 16, 2022 to August 16, 2026.

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: Proposed Amendment No. 2 to the Design Services Agreement with Albert A. Webb Associates Inc. (Webb) is for additional design services for Well No. 53 in the amount of $124,393 for a new total revised not-to-exceed amount of $690,399. Expenditures will be based on Webb's proposal and negotiated rates.

The Fiscal Year 2025-26 Capital Improvement Program Budget includes appropriations from the Water Capital Fund. This project is one of several projects identified in the Water Bond issuance approved by City Council on July 17, 2024. There is no impact to the General Fund.

BACKGROUND & ANALYSIS: The City currently has eighteen active groundwater wells. The Water Master Plan identifies the need for additional groundwater wells to expand existing water supply capacity and reliability to meet the future water demands of Ontario. Well No. 53 is located on the southwest side of Doubleday Avenue, approximately 950 feet west of Dupont Avenue (See Exhibit) and is the second of four new wells that will be installed on the east side of the Ontario International Airport (ONT).

In August 2022, the City entered into an Agreement with Webb for drilling and equipping design, construction management, and inspection services for Well No. 53 to be implemented over two phases. The initial phase of the scope of work (drilling) included a preliminary design report (PDR) and a complete set of construction plans and specifications to drill and construct an approximately 1,000-foot-deep well. The second phase (equipping) includes the equipment and facilities to produce 2,000 to 3,000 gallons per minute (GPM) of drinking water. Construction management and inspection services are included in both phases.

In October 2024, the City approved the plans and specifications and awarded the construction contract to Best Drilling and Pump Inc. for the drilling and construction of Well No. 53 with an anticipated completion date of Fall 2025.

Following completion of the drilling construction, Webb is to proceed with the second phase for equipping design. The design will consist of an above ground masonry building, well pump and motor, on-site sodium hypochlorite (chlorine) generation system, instrumentation and controls, and site landscaping. Webb will prepare a complete PDR, plans and specifications, construction package, including project construction schedule, estimated construction cost, construction management, and inspection services.

As a result of the work included in the City's 2025 draft Master Plan, the Well No. 53 site has been identified to serve as a centralized treatment facility in the future for the four wells on the east side of ONT. This future treatment facility is anticipated to treat 10,000 GPM of water.

The City requested Webb to provide additional drilling inspection services, and to perform additional design services for the enlargement of the building, and preparation of updated legal descriptions and exhibits needed to complete land exchange documentation for several other wells.

Staff is recommending the approval of Amendment No. 2 to the Design Services Agreement based on Webb's experience, qualifications, familiarity with the Project, and performance in providing these services.

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 ALBERT A. WEBB ASSOCIATES

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 **Albert A. Webb Associates**, a **Corporation ("Consultant")**. City and **Consultant** are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and **Consultant** have entered into an agreement entitled "**Design Services Agreement for the UT1063 – Well No. 53**" dated **August 16, 2022** ("Agreement").

2.2 Amendment Purpose. The City and **Consultant** desire to amend this Agreement to increase the compensation by **One Hundred Twenty-Four Thousand, Three Hundred Ninety-Three Dollars ($124,393)** for a total-not-to-exceed compensation of **Six Hundred Ninety Thousand, Three Hundred Ninety-Nine Dollars ($690,399)** and include the proposal for the additional scope of work to **Exhibit A** and **Exhibit B**. This increase in compensation is for the additional scope of work listed in the attached Consultants' Proposal titled "**Revised Budget Amendment Request No. 1 – Well No. 53 Project (UT-1063)**" and dated **August 25, 2025**. The Parties have heretofore entered that Amendment No. 1 dated **August 21, 2025.**

2.3 Amendment Authority. This Amendment No. **2** is authorized pursuant to Section **3.8 "Additional Services"** of the Agreement.

3. Terms.

3.1 Amendment. Section **3.10.1, Exhibit A, and Exhibit B** of the Agreement is hereby

amended in its entirety to read as follows:

3.10.1 Consultant's Compensation for Basic Services. City shall pay to Consultant, for the performance of all Services rendered under this Agreement, the total not to exceed amount of **Six Hundred Ninety Thousand, Three Hundred Ninety-Nine Dollars ($690,399)** ("Total Compensation"). This Total Compensation amount shall be based upon, and may be adjusted according to, the fee schedule and related terms and conditions attached hereto as **Exhibit "B"** and incorporated herein by reference. The Total Compensation, as may be adjusted upon mutual agreement, shall constitute complete and adequate payment for Services under this Agreement.

Exhibit "A" - SCOPE OF SERVICES is hereby amended to add updated Exhibit A which is hereto and incorporated herein by reference. All other previously added or deleted scope of services are retained in their entirety.

Exhibit "B" – FEE AND PHASING/FUNDING SCHEDULES is hereby deleted in its entirety and replaced with updated Exhibit B 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 DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ALBERT A. WEBB ASSOCIATES

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

ALBERT A. WEBB ASSOCIATES

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

Exhibit “A”

SCOPE OF SERVICES

ALBERT A. WEBB ASSOCIATES

Corporate Headquarters
3788 McCray Street
Riverside, CA 92506
951.686.1070

Murrieta Office
41391 Kalmia Street #320
Murrieta, CA 92562
951.686.1070

August 25, 2025

Mr. Thomas Palmieri, PE
Senior Associate Engineer
City of Ontario Municipal Utilities Company
1425 S. Bon View Avenue
Ontario, CA 91761

Re: **Revised Budget Amendment Request No. 1 – Well No. 53 Project (UT-1063)**

Dear Mr. Palmieri:

Albert A. Webb Associates (WEBB) is providing you with this Budget Amendment Request No. 1 related to the additional building design, unanticipated overages for drilling inspection, and overages associated with preparation of legal and plat exhibits as requested by the City for the Well No. 53 Project (UT-1063), hereinafter referred to as the Project.

Item No. 1 – The City requested the preparation of legal and plats for six (6) water wells and two (2) waterlines.

Item No. 2 – In association with unanticipated overages in inspection services related to the lost gravel feed tube and subsequent removal and reinstallation of casing, Webb and Geoscience are requesting additional budget. The City has also requested an additional pumping test at the end of the 24-hr constant rate test. Geoscience's requested budget amendment is included in **Attachment 1**.

Item No. 3 - In preparation of the preliminary site plan for the Project, the City has requested that the proposed well building be equipped with an office, the overall foot print of the building be enlarged to house the MIOX equipment for the well and the future 10,000 gpm treatment facility at the site, and to provide a bathroom on the site, not within the well building.

WEBB's proposal was based on utilizing the well building layout recently completed for Well No. 43 and as indicated in initial Proposal for the Project. As a result of the requested changes, WEBB has prepared this budget amendment request to prepare the following:

- Preliminary design of the building layout for the Preliminary Design Report.

- Preparation of completely new structural, architectural, and mechanical plans for the building.

- Preparation of structural calculations for the building.

The total costs for the additional services described herein are $124,393. Please see **Attachment 2** for a breakdown of the hours and hourly rates. These budgets will be added to the applicable phase budgets. Should you have any questions regarding this request, please feel free to contact us at (760) 636-3899, respectively.

Sincerely,
ALBERT A. WEBB ASSOCIATES



Shane Bloomfield, PE
Senior Engineer

Attachments

GEOSCIENCE

The First Name in Groundwater

August 25, 2025

Shane Bloomfield, PE
Senior Engineer
3788 McCray St
Riverside, CA, 92506

RE: Budget Amendment No. 2 for Professional Geohydrological Services Related to City of Ontario Well No. 53 Drilling and Equipping

Dear Shane:

Geoscience Support Services, Inc. is providing the requested Budget Amendment for services performed under the Professional Services contract for the City of Ontario Well 53 Project. This Budget Amendment outlines the overages from three tasks during the construction of Well 53. The overages are due to unanticipated overages in inspections services related to the lost gravel feed tube and subsequent removal and reinstallation of casing. Separately, the City has requested an additional pumping test to be conducted starting at the end of the 24-hr constant rate test. This test will be conducted over 12 hours and test interference between Well 53 and Well 49. Please see the table below cost of each additional task.

Budget Amendment No. 1

Line	Task No.	Task Name	Cost of Additional Work
1	6.1	Provide Construction Management	$5,875.00
2	6.8	Inspect Reaming (Enlargement) of Pilot Borehole and Caliper Survey	$3,229.50
3	6.9	Inspect Installation of Casing, Screen, Filter Pack, and Annular Seal	$22,427.00
4	6.12	Provide Additional Support for Interference Testing	$3,500
5		**Total Cost of Budget Amendment:**	**$35,031.50**

Geoscience Support Services, Inc. greatly appreciates the opportunity to provide services to the Webb and the City of Ontario. Please feel free to contact me at 909.667.6650 if you have questions or would like to discuss any aspect of this Budget Amendment.

Sincerely,

Logan Wicks, PG
Senior Geohydrologist

Po Box 220, Claremont, CA 97177
p. 909-451-6650 f. 909-451-6638
www.gssiwater.com

Exhibit "B"
FEE AND PHASING/FUNDING SCHEDULES

Consultant will invoice City on a monthly cycle based on the following fee schedule. Consultant will include with each invoice a detailed progress report that indicates the amount of budget spent on each phase and the total amount spent against the Total Compensation. Consultant will inform City regarding any out-of-scope work being performed by Consultant for which Consultant intends to seek compensation from City.

Amendment Number	Scope Description	Not to Exceed Fee
0.0	Design Services Agreement for the UT1063 – Well No. 53	$566,006
1.0	Time Extension Request No. 1	$0
2.0	Revised Budget Amendment Request No. 1 – Well No. 53 Project (UT-1063)	$124,393
Grand Total		$690,399

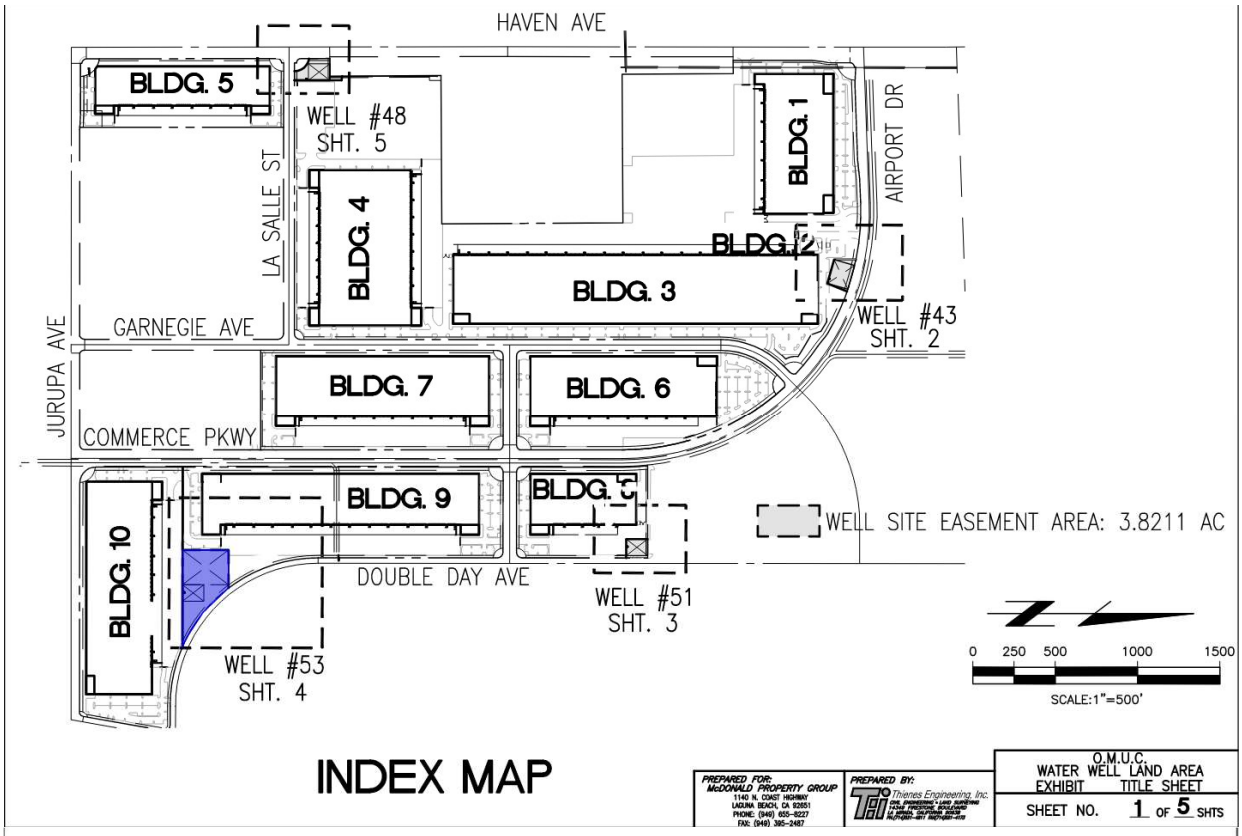
Drilling and Equipping of Well No. 53

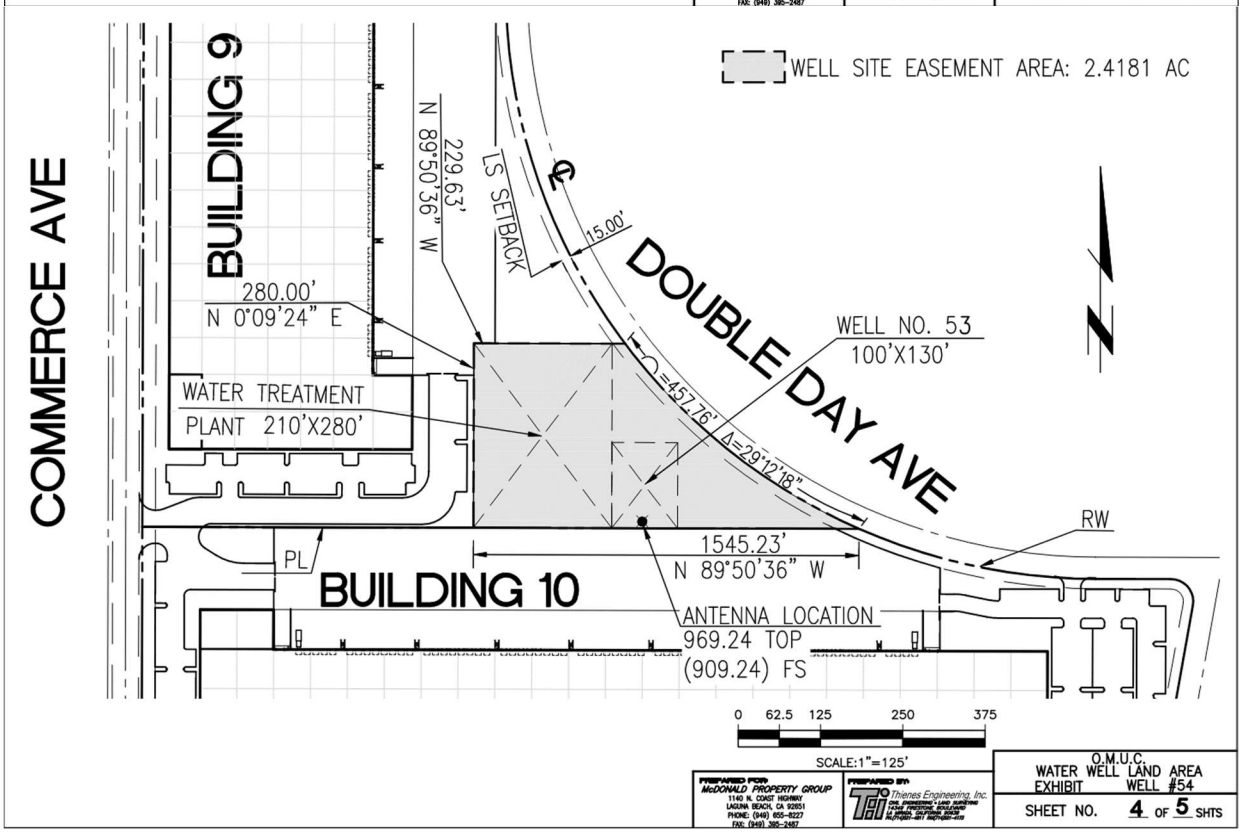
	ALBERT A. WEBB ASSOCIATES, INC.													GEOSCIENCE										
	Bruce Davis	Stephanie Standerfer	Shane Bloomfield	Eliza Laws	Autumn DeWoody	Monica Tobias	Guillermo Gonzalez	Tyler Vigneault	Haley Franco	Virginia Waters	Dave Algranti	Two-Person Survey Party	Total Hours	Brian Villalobos	Terry Watkins	Logan Wicks	Robert Sia	Cole Shaw	Jason Fuentes	Marissa Bosworth	Total Hours	LABOR (Webb/Geoscience)	SUB-CONSULTANT COSTS	REIMBURSABLE EXPENSES	TOTAL
	$293	$293	$279	$232	$197	$197	$173	$156	$115	$98	$279	$302		$274	$235	$213	$155	$135	$155	$107					
1.0 Drilling - Preliminary Design																									
Project Start-Up	4		6						10				20		10	15				1	26	$ 9,648			$ 9,648
Data Collection and Utility Research			8					10	16				34		4	8	18				30	$ 11,066		$ 600	$ 11,666
Initial Study of Environmental Impact		24		16	16	140				224			420								0	$ 63,428	$ 7,188		$ 70,616
Habitat Suitability Assessment		12		12		50				24			98								0	$ 18,502	$ 7,895		$ 26,397
Design Survey			6					6	1			4	17								0	$ 3,933	$ 2,750		$ 6,683
Geotechnical Investigation			2					1			1		4								0	$ 993	$ 23,340		$ 24,333
Site Evaluation/Hydrogeology/Preliminary Design Report													0	2	10	16	48		24	2	102	$ 17,680			$ 17,680
Drilling - Plans and Specifications			10						4				14	4	16	40	75		26	5	166	$ 32,816		$ 230	$ 33,046
Phase 1 Subtotal	4	36	32	28	16	190	0	17	31	248	1	4	607	6	40	79	141	0	50	8	324	***$ 158,066***	***$ 41,173***	***$ 830***	***$ 200,069***
2.0 Drilling - Bidding/Award Phase																									
Pre-Bid Conference			2										2	1	4	5				1	11	$ 2,944			$ 2,944
Miscellaneous Bid Phase Services								2					2	1	4	10	14				29	$ 5,826			$ 5,826
Conformed Documents			1										1		4					1	5	$ 1,326			$ 1,326
Phase 2 Subtotal	0	0	3	0	0	0	0	2	0	0	0	0	5	2	12	15	14	0	0	2	45	***$ 10,096***	***$ -***	***$ -***	***$ 10,096***
3.0 Drilling - Construction & Final Design Phase																									
Pre-Construction Meeting			2										2		4	5				1	10	$ 2,670			$ 2,670
Construction Services During Drilling of Pilot Hole													0	1	6	6		85			98	$ 14,437		$ 1,170	$ 15,607
Zone and Water Quality Testing													0		8	10		60			78	$ 12,110		$ 725	$ 12,835
Well Design			1										1	2	15	10		32		1	60	$ 10,909		$ 1,500	$ 12,409
Construction Services During Reaming													0		2	5		50			57	$ 8,285		$ 670	$ 8,955
Construction Services During Well Completion													0		6	10		62			78	$ 11,910		$ 835	$ 12,745
Construction Services During Well Development and Testing													0		20	8		155			183	$ 27,329		$ 835	$ 28,164
Pump Selection			2										2	2	6			8			16	$ 3,596			$ 3,596
Consultant Reports													0	4	10	14	45		16	4	93	$ 16,311		$ 230	$ 16,541
Review/Approve Contractor's Submittals, Progress Payments and CO's													0		10	18					28	$ 6,184			$ 6,184
Phase 3 Subtotal	0	0	5	0	0	0	0	0	0	0	0	0	5	9	87	86	45	452	16	6	701	***$ 113,741***	***$ -***	***$ 5,965***	***$ 119,706***
TOTAL HOURS AND COST (PHASES 1 - 3):	**4**	**36**	**40**	**28**	**16**	**190**	**0**	**19**	**31**	**248**	**1**	**4**	**617**	**17**	**139**	**180**	**200**	**452**	**66**	**16**	**1,070**	**$281,903**	**$41,173**	**$6,795**	**$329,871**
4.0 Equipping - Design Phase																									
Preliminary Design Report	2		16					6	2				26								0	$ 6,216	$ 2,500		$ 8,716
Workshop - Preliminary Design Report Review	2		4					2					8								0	$ 2,014	$ 1,200		$ 3,214
Process Required Permits			6						4				10		2	5	8				15	$ 4,909			$ 4,909
Division of Drinking Water Coordination			4					4	2				10		2	5	8				15	$ 4,745			$ 4,745
Preliminary Drinking Water Source Assessment Program (DWSAP)			2										2		5	8	26				39	$ 7,467			$ 7,467
Design of a Diesel Powerd Emergency Backup Generator			4					2					6								0	$ 1,428			$ 1,428
Workshop - Review of Existing SCADA System			2										2								0	$ 558	$ 1,500		$ 2,058
Instrumentation (Hardware) Design			2										2								0	$ 558	$ 1,200		$ 1,758
Project Schedule			6						2				8								0	$ 1,904			$ 1,904
Prepare Estimates			6										6								0	$ 1,674			$ 1,674
Final Design	10		85				16	320	6		4		441								0	$ 81,139	$ 29,540		$ 110,679
Coordination with SCE			4										4								0	$ 1,116	$ 2,750		$ 3,866
Workshops - Development Advisory Board (DAB)	2		4					2					8								0	$ 2,014			$ 2,014
Workshops - Construction Document Review	4		8					6	2				20								0	$ 4,570			$ 4,570
Quality Control Review	4										12		16								0	$ 4,520			$ 4,520
Potholing Services (5 Potholes)			2										2								0	$ 558	$ 6,800		$ 7,358
Phase 4 Subtotal	24	0	155	0	0	0	16	342	18	0	16	0	571	0	9	18	42	0	0	0	69	***$ 125,390***	***$ 45,490***	***$ -***	***$ 170,880***
5.0 Equipping - Bidding/Award Phase																									
Pre-Bid Conference			4					2					6								0	$ 1,428	$ 650		$ 2,078
Miscellaneous Bid Phase Services	1		6					4	2				13									$ 2,821			$ 2,821
Conformed Documents			2					6	2				10									$ 1,724		$ 200	$ 1,924
Phase 5 Subtotal	1	0	12	0	0	0	0	12	4	0	0	0	29	0	0	0	0	0	0	0	0	***$ 5,973***	***$ 650***	***$ 200***	***$ 6,823***
6.0 Supplemental Engineering Services																									
Surge Analysis			2					1					3								0	$ 714	$ 2,750		$ 3,464
Drinking Water State Revolving Fund Eligibility			2		15								17								0	$ 3,513			$ 3,513
Additional Design Services as Authorized by the City																									$ 51,455
Phase 6 Subtotal	0	0	4	0	15	0	0	1	0	0	0	0	20	0	0	0	0	0	0	0	0	***$ 4,227***	***$ 2,750***	***$ -***	***$ 58,432***
TOTAL HOURS AND COST (PHASES 4 - 6):	**25**	**0**	**171**	**0**	**15**	**0**	**16**	**355**	**22**	**0**	**16**	**0**	**620**	**0**	**9**	**18**	**42**	**0**	**0**	**0**	**69**	**$135,590**	**$48,890**	**$200**	**$236,135**
TOTAL HOURS AND COST (PHASES 1 - 6):	**29**	**36**	**211**	**28**	**31**	**190**	**16**	**374**	**53**	**248**	**17**	**4**	**1,237**	**17**	**148**	**198**	**242**	**452**	**66**	**16**	**1,139**	**$417,493**	**$90,063**	**$6,995**	**$566,006**

CITY OF ONTARIO
Drilling and Equipping of Well No. 53 - Budget Amendment No. 1

		ALBERT A. WEBB ASSOCIATES, INC.													
		Bruce Davis	Shane Bloomfield	Tyler Vigneault	Lexi Frey	Dave Algranti	Jason Ardery	Michael Johnson	Carlos Silva	Jon Ros	Jon Valcourt	Total Hours	WEBB LABOR	SUB-CONSULTANT COSTS	TOTAL
		$293	$293	$156	$115	$293	$293	$293	$240	$240	$191				
3.0	**Drilling - Construction & Final Design Phase**														
	Construction Management		6									6	$ 1,758	$ 6,756	$ 8,514
	Construction Services During Drilling of Pilot Hole														
	Zone and Water Quality Testing														
	Well Design														
	Construction Services During Reaming													$ 3,714	$ 3,714
	Construction Services During Well Completion													$ 25,791	$ 25,791
	Construction Services During Well Devleopment and Testing													$ 4,025	$ 4,025
	Pump Selection														
	Consultant Reports														
	Review/Approve Contractor's Submittals, Progress Payments and CO's														
	Phase 3 Subtotal	0	6	0	0	0	0	0	0	0	0	6	***$ 1,758***	***$ 40,286***	***$ 42,044***
4.0	**Equipping - Design Phase**														
	Preliminary Design Report	1	6	16		2						25	$ 5,133		$ 5,133
	Workshop - Preliminary Design Report Review											0	$ -		$ -
	Process Required Permits											0	$ -		$ -
	Division of Drinking Water Coordination											0	$ -		$ -
	Preliminary Drinking Water Source Assessment Program (DWSAP)											0	$ -		$ -
	Design of a Diesel Powerd Emergency Backup Generator											0	$ -		$ -
	Workshop - Review of Existing SCADA System											0	$ -		$ -
	Instrumentation (Hardware) Design											0	$ -		$ -
	Project Schedule											0	$ -		$ -
	Prepare Estimates		2									2	$ 586		$ 586
	Final Design	4	20	50	4	2						80	$ 15,878	$ 27,140	$ 43,018
	Coordination with SCE											0	$ -		$ -
	Workshops - Development Advisory Board (DAB)											0	$ -		$ -
	Workshops - Construction Document Review											0	$ -		$ -
	Quality Control Review											0	$ -		$ -
	Potholing Services (5 Potholes)											0	$ -		$ -
	Phase 4 Subtotal	5	28	66	4	4	0	0	0	0	0	107	***$ 21,597***	***$ 27,140***	***$ 48,737***
6.0	**Supplemental Engineering Services**														
	Prepare Legal Descriptions/Exhibits for Wells and Waterlines	2	6		2		58	10	7	6	34	91	$ 32,112	$ 1,500	$ 33,612
	Phase 6 Subtotal	2	6	0	2	0	58	10	7	6	34	91	***$ 32,112***	***$ 1,500***	***$ 33,612***
	TOTALS	**7**	**40**	**66**	**6**	**4**	**58**	**10**	**7**	**6**	**34**	**204**	**$55,467**	**$67,426**	**$124,393**

Well No. 53 Project
Exhibit





CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **CONSENT CALENDAR**
Department: Community Life & Culture Prepared By: Lacey A Rightmer Staff Member Presenting: Helen McAlary, Executive Director Community Life and Culture Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 15

SUBJECT: AMERICORPS STATE CONTINUATION GRANT FOR 2025-26

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute grant documents and accept a $368,000 AmeriCorps Continuation Grant for November 2025 through October 2026 to fund the Ontario Promise Corps project.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
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: If approved, additional appropriations and associated revenues will be included in the Grants Fund at a future quarterly budget update to City Council for approval as needed. The FY 2025-26 Adopted Budget includes appropriations in the General Fund for the City's cash match.

BACKGROUND & ANALYSIS: On August 20, 2019, the City Council approved a 12-month AmeriCorps State Planning Grant for the City of Ontario. This grant was used to develop the Ontario Promise Corps program, a cradle-to-career collective impact program. The program implements services that aim to improve school readiness, improve school attendance, and increase college access and success within the local community. The AmeriCorps grant is administered on the state level by California Volunteers, an office of the State of California.

The Planning Grant outlined activities focusing on the AmeriCorps national service focus area of education. These activities provide services that contribute to improving educational outcomes for economically disadvantaged children and youth.

In 2020, the City of Ontario submitted a successful grant application to fund AmeriCorps members to implement the strategies developed during the Planning Grant phase. On August 4, 2020 the City Council approved a 12-month round of the Ontario Promise Corps program, funded through the AmeriCorps State Formula Grant. With subsequent approvals from City Council, the program received AmeriCorps grants for Fiscal Years 2021, 2022, 2023 and 2024.

The Ontario Promise Corps program aims to recruit sixteen Full-Time AmeriCorps members each

program year. These members provide one-on-one educational support for low-income and at-risk students, foster mentor-mentee relationships, and offer information and resources for higher education to Ontario residents. The program also benefits its members by acting as a workforce development program. Through their participation in the program, they gain real-world job and professional skills, making them prepared to succeed in our local workforce after their service ends. The Ontario Promise Corps program operates in partnership with Hope Through Housing Foundation, Ontario-Montclair Schools Foundation and the Ontario City Library.

This year, AmeriCorps has awarded the Community Life & Culture Agency a $368,000 AmeriCorps Continuation Grant to continue these programs. Highlights of the grant budget include a full-time Administrative Specialist position that is responsible for the day-to-day operations of the grant at a total cost of $119,283, 16 AmeriCorps members with a state-mandated living allowance set at $30,000, healthcare, office supplies, training, and equipment costs. It also funds a part-time Program Specialist who focuses on outreach and program support. This one-year grant supports AmeriCorps activities from November 2025 through October 2026. Staff will submit a new application for future funding.

The Community Life & Culture Agency requests that the City Council approve the execution of the 2025-26 grant documents, accept the grant funds, and approve the City cash match for the 2025-26 Ontario Promise Corps program year.

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **PUBLIC HEARINGS**
Department: Financial Services Prepared By: Cruz Torres Department: Prepared By: Cruz Torres 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: 16

SUBJECT: **A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISTICS CENTER SERVICES); AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES**

RECOMMENDATION: That the City Council consider and:

A. Adopt a Resolution of Formation of Community Facilities District No. 69 (South Ontario Logistics Center Services), 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;
B. Adopt a Resolution calling a special election for City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services);
C. Adopt a Resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien; and
D. Introduce and waive further reading of an Ordinance levying special taxes within City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services).

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 South Ontario Logistics Center Services development is projected to generate approximately $88,518 per year, at buildout, to fund administrative fees and municipal services. 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 provides local government, with the consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to finance municipal services. Municipal services that may be funded by a community facilities district include: police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting or parks, parkways, streets, roads and open space, flood and storm protection services, maintenance and operation of fiber optic telecommunications, wireless communication and public safety camera systems and maintenance and operation of any real property of other tangible property with an estimated useful life of five or more years that is owned by the City. Under the Mello-Roos Act the initial steps in the formation of a community facilities district to finance municipal services are to adopt resolutions declaring the intention to establish a community facilities district and authorize the levy of special taxes. Accordingly, on August 19, 2025, the City Council approved Resolution No. 2025-132, a Resolution of Intention to establish City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) and authorize the levy of special taxes. The Resolution of Intention set the public hearing date for the regularly scheduled City Council meeting on October 7, 2025, to consider formation matters.

The South Ontario Logistics Center Services project addresses the development of approximately 147.59 gross acres located south of Eucalyptus Avenue, north of Merrill Avenue, west of Grove Avenue, and east of Bon View Avenue. At build out, the project is expected to include five industrial buildings totaling approximately 340,313 square feet.

Included, as part of the Resolution of Formation is the proposed Rate and Method of Apportionment of Special Tax for the District. The term and structure of the Rate and Method of Apportionment of Special Tax for the South Ontario Logistics Center Services project is consistent with those of previously adopted Rates and Methods of Apportionment for Ontario Ranch community facilities districts. This ensures that the special tax rates levied on all residential property owners in community facilities districts in Ontario Ranch are developed in a consistent and equivalent manner. In addition, under the provisions of the Mello-Roos Act, to ensure that home buyers are making an informed decision, all residential builders in the Ontario Ranch districts are required to disclose the maximum annual special tax amount to each homeowner before entering into a sales contract.

Attached are three Resolutions and an Ordinance. The first attached Resolution establishes the community facilities district, with the rate and method of apportionment of special taxes and authorizes the levy of special taxes within the district. The second attached Resolution calls for a special landowner election to be held on October 7, 2025. The third attached Resolution declares the results of the election, including a statement from the City Clerk as to the canvass of ballots, and directs the recording of the Notice of Special Tax Lien. The attached Ordinance authorizes the levying of special taxes.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISTICS CENTER SERVICES), 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.

WHEREAS, on August 19, 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. 69 (South Ontario Logistics Center Services) and to Authorize the Levy of a Special Tax Therein" (the "Resolution of Intention"), stating its intention to establish City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) (the "Community Facilities District"), to authorize the Community Facilities District to levy a special tax within the Community Facilities District for the purpose of financing certain services and setting the date for a public hearing to be held on the establishment of the Community Facilities District; and

WHEREAS, pursuant to the Resolution of Intention, notice of said public hearing was published in the *Inland Valley Daily Bulletin*, a newspaper of general circulation published in the area of the Community Facilities District, in accordance with the Act; and

WHEREAS, on this date, the City Council opened, conducted and closed said public hearing; and

WHEREAS, pursuant to the Resolution of Intention, each officer of the City who is or will be responsible for providing one or more of the proposed types of services to be financed by the Community Facilities District was directed to study, or cause to be studied, the proposed Community Facilities District and, at or before said public hearing, file a report with the City Council containing a brief description of the services by type that will in his or her opinion be required to adequately meet the needs of the Community Facilities District, and his or her estimate of the cost of providing such services; such officers were also directed to estimate the fair and reasonable cost of the incidental expenses proposed to be paid; and

WHEREAS, said report was so filed with the City Council and made a part of the record of said public hearing; and

WHEREAS, at the hearing, the testimony of all persons for or against the establishment of the Community Facilities District, the extent of the Community Facilities District and the furnishing of the specified types of services was heard; and

WHEREAS, written protests against the establishment of the Community Facilities District, the furnishing of any specified type or types of services within the Community Facilities District or the levying of a specified special tax were not made or filed at or before said hearing by 50% or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be included in the Community Facilities District, or the owners of one-half or more of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the special tax; and

WHEREAS, there has been filed with the City Clerk of the City a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the proposed Community Facilities District as of August 21, 2025, which demonstrates that 12 or more persons have not been registered to vote within the territory of the proposed Community Facilities District for each of the 90 days preceding the close of said public hearing.

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 the City Council so finds and determines.

SECTION 2. The Community Facilities District is hereby established.

SECTION 3. The name for the Community Facilities District is "City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services)."

SECTION 4. The services (the "Services") proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption "Services" on Exhibit A hereto. The incidental expenses proposed to be incurred are identified under the caption "Incidental Expenses" on Exhibit A hereto. No facilities are proposed to be financed by the Community Facilities District.

SECTION 5. The proposed special tax to be levied within the Community Facilities District has not been precluded by majority protest pursuant to Section 53324 of the Act.

SECTION 6. The City Council proposes that, except where funds are otherwise available, the Community Facilities District be authorized to annually levy within the Community Facilities District a special tax (the "Special Tax") sufficient to pay for all Services, secured by recordation of a continuing lien against all nonexempt real property in the Community Facilities District. The rate, method of apportionment and manner of collection of the Special Tax, in sufficient detail to allow each landowner or resident within the proposed Community Facilities District to estimate the maximum amount that he or she will have to pay, is specified in the Rate and Method of Apportionment of Special Tax (the "Rate and Method") attached hereto as Exhibit B, which is by this reference incorporated herein. The obligation to pay the Special Tax may not be prepaid and permanently satisfied. The Special Tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners.

SECTION 7. The Special Tax may only finance the Services to the extent that they are in addition to those provided in the territory of the Community Facilities District before the date the Community Facilities District is created. The Services may not supplant services already available within that territory when the Community Facilities District is created.

SECTION 8. The name, address and telephone number of the office, department or bureau that will be responsible for preparing annually a current roll of Special Tax levy obligations by assessor's parcel number and that will be responsible for estimating further Special Tax levies pursuant to Section 53340.2 of the Act are as follows: City of Ontario, Financial Services Agency, 303 East B Street, Ontario, California 91764, (909) 395-2015 or email CFD@ontarioca.gov.

SECTION 9. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property in the Community Facilities District and this lien shall continue in force and effect until the Special Tax obligation is canceled in accordance with law or until the Special Tax ceases to be levied and a notice of cessation of the Special Tax is recorded in accordance with Section 53330.5 of the Act.

SECTION 10. The boundary map of the Community Facilities District has been recorded in San Bernardino County in Book 92 at Page 55 of Maps of Assessments and Community Facilities Districts in the San Bernardino County Recorder's Office (Document No. 2025-0199258).

SECTION 11. The City Council proposes that the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the Community Facilities District be established at $45,500,000.

SECTION 12. Pursuant to the provisions of the Act, the propositions to authorize the Community Facilities District to levy the Special Tax and to establish the appropriations limit of the Community Facilities District specified above shall be subject to the approval of the qualified electors of the Community Facilities District at a special election. The City Council hereby finds and determines that no persons were registered to vote within the territory of the proposed Community Facilities District as of August 21, 2025, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearing held by the City Council on the establishment of the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearing, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the Special Tax. The voting procedure shall be by mailed or hand-delivered ballot.

SECTION 13. The City Council hereby finds and determines that all proceedings up to and including the adoption of this Resolution were valid and in conformity with the requirements of the Act. In accordance with Section 53325.1 of the Act, such finding shall be final and conclusive.

SECTION 14. All actions heretofore taken by the officers, employees and agents of the City with respect to the establishment of the Community Facilities District, or in connection with or related to any of the matters referred to herein, are hereby approved, confirmed and ratified.

SECTION 15. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things that they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 16. 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 7th day of October, 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 October 7, 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 October 7, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

SERVICES AND INCIDENTAL EXPENSES

Services

The types of City services to be financed by the Community Facilities District are police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, parkways, streets, roads and open space, flood and storm protection services, maintenance and operation of fiber optic telecommunication, wireless communication and public safety camera systems and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

Incidental Expenses

The incidental expenses proposed to be incurred include the costs associated with the creation of the Community Facilities District, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District.

EXHIBIT B

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 69
(SOUTH ONTARIO LOGISTICS CENTER SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) ("CFD No. 69") and collected each Fiscal Year commencing in Fiscal Year 2025-26, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 69, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms as may hereinafter be set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 69: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 69 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 69 related to an appeal of the Special Tax; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead related to CFD No. 69; and amounts estimated or advanced by the City or CFD No. 69 for any other administrative purposes of CFD No. 69, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"CFD Administrator" means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Tax, and performing the other duties provided for herein.

"CFD No. 69" means City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services).

"City" means the City of Ontario, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 69.

"County" means the County of San Bernardino.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Gated Community Attached Dwelling Unit" means a Unit within any residential building containing two or more dwelling units (including attached condominiums, townhouses, duplexes, triplexes, and apartments) within a gated community that, within such community, is primarily served by private interior streets.

"Land Use Class" means any of the classes listed in Table 1 below.

"Lower Income Household Welfare Exemption Property" means, for each Fiscal Year, an Assessor's Parcel within the boundaries of CFD No. 69 that is subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the most recent County assessor's roll finalized prior to such Fiscal Year.

"Maximum Special Tax" means, with respect to an Assessor's Parcel of Taxable Property, the maximum Special Tax determined in accordance with Section C below that can be levied in any Fiscal Year on such Assessor's Parcel of Taxable Property.

"Multiple Family Dwelling Unit" means a Unit within any residential building containing two or more dwelling units, including attached condominiums, townhomes, duplexes, triplexes, and apartments, but excluding Gated Community Attached Dwelling Units.

"Non-Residential" means any buildings that are for commercial lodging use, commercial retail use, institutional use (e.g., churches, private schools), commercial restaurant use, office use, or industrial use.

"Non-Residential Property" means, for each Fiscal Year, an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2024, and before May 1 of the prior Fiscal Year, for a Non-Residential use.

"Property Owner Association Property" means, for each Fiscal Year, property within the boundaries of CFD No. 69 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

"Proportionately" means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property.

"Public Property" means, for each Fiscal Year, property within the boundaries of CFD No. 69 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public or utility right-of-way that makes impractical its use for any purpose other than that set forth in such easement, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Rate and Method of Apportionment" means this Rate and Method of Apportionment of Special Tax.

"Residential Property" means, for each Fiscal Year, an Assessor's Parcel for which a building permit for new construction of one or more Units was issued after January 1, 2024, and before May 1 of the prior Fiscal Year.

"Services" means the services authorized to be financed, in whole or in part, by CFD No. 69, including: police protection services; fire protection and suppression services; ambulance and paramedic services; maintenance and lighting of parks, parkways, streets, roads, and open space; flood and storm protection services; maintenance and operation of fiber optic telecommunication, wireless communication, and public safety camera systems; and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

"Single Family Detached Dwelling Unit" means any residential building containing only one Unit on one legal lot, including single family residences and single family detached residential condominium units.

"Special Tax" means the special tax authorized by the qualified electors of CFD No. 69 to be levied within the boundaries of CFD No. 69.

"Special Tax Requirement" means the amount necessary in any Fiscal Year to pay the cost of the Services, Administrative Expenses, and an amount equal to Special Tax delinquencies based on the historical delinquency rate for Special Taxes, as determined by the CFD Administrator.

"Square Footage" or **"Sq. Ft."** means, with respect to a building of Non-Residential Property, the gross floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 69, for such building, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

"State" means the State of California.

"Taxable Property" means, for each Fiscal Year, all Assessor's Parcels of Residential Property and Non-Residential Property within the boundaries of CFD No. 69 which are not exempt from the Special Tax pursuant to law or Section E below.

"Unit" means an individual single-family detached or attached home, townhome, condominium, apartment unit, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, beginning with Fiscal Year 2025-26, all Taxable Property within CFD No. 69 shall be classified as Residential Property (Single Family Detached Dwelling Unit, Multiple Family Dwelling Unit, or Gated Community Attached Dwelling Unit) or Non-Residential Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX

The Maximum Special Tax for each Assessor's Parcel classified as Taxable Property shall be determined by reference to Table 1 below.

TABLE 1
MAXIMUM SPECIAL TAX

Land Use Class	Maximum Special Tax Fiscal Year 2025-26
Residential Property:	
Single Family Detached Dwelling Unit	$1,426.38 per Unit
Multiple Family Dwelling Unit	$1,236.46 per Unit
Gated Community Attached Dwelling Unit	$1,036.38 per Unit
Non-Residential Property	$0.260110 per Sq. Ft.

On January 1 of each Fiscal Year, commencing January 1, 2026, the Maximum Special Tax to be applied in the next Fiscal Year shall be subject to an automatic increase at a rate equal to 4.0% of the amount in effect for the prior Fiscal Year.

In some instances an Assessor's Parcel of Taxable Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of Residential Property and Square Footage of Non-Residential Property (based on the applicable building permits, final subdivision map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2025-26, the CFD Administrator shall determine the Special Tax Requirement. The Special Tax shall then be levied Proportionately on each Assessor's Parcel of Taxable Property up to 100% of the applicable Maximum Special Tax for such Assessor's Parcel, until the Special Tax Requirement is satisfied. However, the Special Tax levied in any Fiscal Year shall not increase by more than 4.0% of the amount of the Special Tax levied in the prior Fiscal Year.

E. EXEMPTIONS

Notwithstanding anything in this Rate and Method of Apportionment to the contrary, no Special Tax shall be levied on Public Property or Property Owner Association Property.

No Special Tax shall be levied on Lower Income Household Welfare Exemption Property; provided, however, that if, in any Fiscal Year, applicable law does not require that Lower Income Household Welfare Exemption Property be exempt from some portion, or all, of the Special Tax, such portion, or all, of the Special Tax shall be levied on such property in accordance with this Rate and Method of Apportionment based on the Land Use Class to which the Assessor's Parcel is assigned.

F. APPEALS

Any property owner may file a written appeal of the Special Tax with CFD No. 69 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council, whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then the CFD Administrator shall determine if sufficient Special Tax revenue is available to make cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Tax levy(ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the Special Taxes may be collected in such other manner as the City Council shall determine, including direct billing of affected property owners.

H. TERM OF SPECIAL TAX

The Special Tax shall continue to be levied indefinitely on an annual basis on all Taxable Property in CFD No. 69.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 69 (SOUTH ONTARIO LOGISTICS CENTER SERVICES).

WHEREAS, on this date, 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 Formation of City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services), 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"), establishing City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) (the "Community Facilities District"), proposing that the Community Facilities District be authorized to levy a special tax (the "Special Tax") within the Community Facilities District for the purpose of financing certain services and proposing that an appropriations limit of the Community Facilities District be established at $45,500,000; and

WHEREAS, pursuant to the provisions of the Act and the Resolution of Formation, the propositions to authorize the Community Facilities District to levy the Special Tax and to establish such appropriations limit of the Community Facilities District are to be submitted to the qualified electors of the Community Facilities District at a special election; and

WHEREAS, the City Council desires to designate the City Clerk of the City (the "City Clerk") as the election official for such special election; and

WHEREAS, there has been filed with the City Clerk a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the Community Facilities District as of August 21, 2025, which demonstrates that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings on the establishment of the Community Facilities District; and

WHEREAS, there has been filed with the City Clerk consents and waivers of all of the landowners of record in the Community Facilities District consenting to the waiver of, and waiving, any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said special election, consenting to the holding of said special election on October 7, 2025 and consenting to the waiver of, and waiving, any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act; and

WHEREAS, the City Clerk has concurred in said waivers and has concurred in holding said special election on October 7, 2025.

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 the City Council so finds and determines.

SECTION 2. Pursuant to Sections 53326 and 53325.7 of the Act, the propositions to authorize the Community Facilities District to levy the Special Tax and to establish the appropriations limit of the Community Facilities District shall be submitted to the qualified electors of the Community Facilities District at an election called therefor as provided below.

SECTION 3. The City Clerk is hereby designated as the official to conduct said election.

SECTION 4. As authorized by Section 53353.5 of the Act, the propositions to authorize the Community Facilities District to levy the Special Tax and to establish such appropriations limit of the Community Facilities District shall be combined into one ballot proposition.

SECTION 5. The City Council hereby finds and determines that no persons were registered to vote within the territory of the Community Facilities District as of August 21, 2025, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings heretofore held by the City Council on the establishment of the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the Special Tax.

SECTION 6. The City Council hereby finds and determines that the qualified electors of the Community Facilities District have (a) unanimously consented to the waiver of, and have waived, any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said election, (b) unanimously consented to the holding of said election on October 7, 2025, and (c) unanimously consented to the waiver of, and have waived, any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act. The City Council hereby finds and determines that the City Clerk has concurred in said waivers and has concurred in holding said election on October 7, 2025.

SECTION 7. The City Council hereby calls a special election to submit to the qualified electors of the Community Facilities District the combined ballot proposition to authorize the Community Facilities to levy the Special Tax and to establish the appropriations limit of the Community Facilities District at $45,500,000, which election shall be held at 303 East B Street, Ontario, California, on October 7, 2025. The City Council has caused to be provided to the City Clerk, as the official to conduct the election, the Resolution of Formation, a certified map of sufficient scale and clarity to show the boundaries of the Community Facilities District and a sufficient description to allow the City Clerk to determine the boundaries of the Community Facilities District.

The voted ballots shall be returned to the City Clerk not later than 7:30 p.m. on October 7, 2025; provided, however, that if all of the qualified electors have voted prior to such time, the election may be closed with the concurrence of the City Clerk.

SECTION 8. Pursuant to Section 53326 of the Act, the election shall be conducted by mail or hand-delivered ballot pursuant to Section 4000 *et. seq.* of the California Elections Code. Except as otherwise provided in the Act, the provisions of law regulating elections of the City, insofar as they may be applicable, shall govern the election.

SECTION 9. The form of the ballot for the election, which sets forth the measure to be submitted to the voters, is attached hereto as Exhibit A and by this reference incorporated herein, and such form of ballot is hereby approved. The City Clerk shall cause to be delivered to each of the qualified electors of the Community Facilities District a ballot in said form, together with all supplies and written instructions necessary for the use and return of the ballot. The number of votes to be voted by a particular landowner shall be specified on the ballot provided to that landowner.

The identification envelope for return of a ballot shall be enclosed with such ballot, shall have the return postage prepaid, and shall contain: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or the authorized representative of the landowner entitled to vote and is the person whose name appears on the identification envelope, (c) the printed name and signature of the voter, (d) the date of signing and place of execution of the declaration described in clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing board.

Analysis and arguments with respect to the measure submitted to the voters are hereby waived, as provided in Section 53327 of the Act.

SECTION 10. The City Clerk shall accept the ballots of the qualified electors in the office of the City Clerk at 303 East B Street, Ontario, California, to and including 7:30 p.m. on October 7, 2025, whether said ballots be personally delivered or received by mail. The City Clerk shall have available ballots that may be marked at said location on the election day by said qualified electors.

SECTION 11. The City Council hereby determines that the services financed by the Community Facilities District are necessary to meet increased demands placed upon local agencies as a result of development occurring in the Community Facilities District.

SECTION 12. All actions heretofore taken by the officers, employees and agents of the City with respect to the special election called pursuant hereto, or in connection with or related to any of the matters referred to herein, are hereby approved, confirmed and ratified.

SECTION 13. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things that they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 14. 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 7th day of October, 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 October 7, 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 October 7, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

OFFICIAL BALLOT

CITY OF ONTARIO
October 7, 2025

SPECIAL ELECTION

This ballot is for a special, landowner election. The number of votes to be voted pursuant to this ballot is ____.

INSTRUCTIONS TO VOTERS:

To vote on the measure, mark a cross (+ or X) in the voting square after the word "YES" or after the word "NO". All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly mark, tear or deface this ballot, return it to the City Clerk of the City of Ontario and obtain another.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 69
(SOUTH ONTARIO LOGISTICS CENTER SERVICES)

MEASURE: Shall the measure to authorize City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) (the "Community Facilities District") to levy a special tax in order to finance certain services and to establish the annual appropriations limit of the Community Facilities District at $45,500,000, as specified in the resolution adopted by the City Council of the City of Ontario on October 7, 2025 entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services), 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," be adopted?

Yes: ☐

No: ☐

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN.

WHEREAS, on October 7, 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, Calling Special Election for City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services)" (the "Resolution Calling Election"), calling a special election to submit to the qualified electors of City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) (the "Community Facilities District") the combined ballot proposition to authorize the Community Facilities District to levy a special tax and to establish the appropriations limit of the Community Facilities District; and

WHEREAS, pursuant to the terms of the Resolution Calling Election and the provisions of the Act, the special election was held on October 7, 2025; and

WHEREAS, the City Clerk of the City (the "City Clerk") has certified the canvass of the returns of the election and has filed a Canvass and Statement of Results of Election (the "Canvass"), a copy of which is attached hereto as Exhibit A;

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 the City Council so finds and determines.

SECTION 2. The City Council has received, reviewed and hereby accepts the Canvass.

SECTION 3. The City Council hereby finds and declares that the ballot proposition submitted to the qualified electors of the Community Facilities District pursuant to the Resolution Calling Election has been passed and approved by such electors in accordance with Section 53328 and Section 53325.7 of the Act.

SECTION 4. The City Clerk is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of San Bernardino a notice of special tax lien in the form required by the Act, said recording to occur no later than 15 days following adoption by the City Council of this Resolution.

SECTION 5. All actions heretofore taken by the officers, employees and agents of the City with respect to the special election, or in connection with or related to any of the matters referred to herein, are hereby approved, confirmed and ratified.

SECTION 6. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things that they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 7. 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 7th day of October, 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 October 7, 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 October 7, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 69
(SOUTH ONTARIO LOGISTICS CENTER SERVICES)

CANVASS AND STATEMENT OF RESULTS OF ELECTION

I hereby certify that on October 7, 2025, I canvassed the returns of the special election for City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) held on October 7, 2025, that the total number of ballots cast in said Community Facilities District and the total number of votes cast for and against the combined ballot proposition submitted to the qualified electors of the Community Facilities District are as follows and that the totals as shown for and against such proposition are true and correct:

	Qualified Landowner Votes	Votes Cast	YES	NO
City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) Special Election, October 7, 2025	148	___	___	___

MEASURE: Shall the measure to authorize City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) (the "Community Facilities District") to levy a special tax in order to finance certain services and to establish the annual appropriations limit of the Community Facilities District at $45,500,000, as specified in the resolution adopted by the City Council of the City of Ontario on October 7, 2025 entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services), 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," be adopted?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 7th day of October, 2025.

By: _____
SHEILA MAUTZ, CITY CLERK

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. 69 (SOUTH ONTARIO LOGISTICS CENTER SERVICES).

WHEREAS, on August 19, 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. 69 (South Ontario Logistics Center Services) and to Authorize the Levy of a Special Tax Therein" stating its intention to establish City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services) (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 services (the "Services"); and

WHEREAS, on October 7, 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. 69 (South Ontario Logistics Center Services), 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") and "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 69 (South Ontario Logistics Center Services)," 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 levy the Special Tax and to establish the appropriations limit of the Community Facilities District; and

WHEREAS, on October 7, 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 2025-26 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 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.

PASSED, APPROVED, AND ADOPTED this _____day of October 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. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held October 7, 2025, and adopted at the regular meeting held _____, 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. _____ duly passed and adopted by the Ontario City Council at their regular meeting held _____ and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **October 7, 2025**	**SECTION:** **PUBLIC HEARINGS**
Department: Utilities Prepared By: Dennice Raygoza Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Albert G Gastelum, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 17

SUBJECT: A PUBLIC HEARING TO CONSIDER A RESOLUTION RELATED TO THE RATES FOR WATER, SEWER AND SOLID WASTE SERVICES

RECOMMENDATION: That the City Council conduct a public hearing to consider all written protests and objections against the proposed increases in the rates for water, sewer, and solid waste services in accordance with California Constitution, Article XIII D, Section 6(a), and Assembly Bill (AB) 2257 Government Code Section 53759.1 and 53759.2, and consider and approve a resolution related to the rates for water, sewer, and solid waste services.

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 City has retained Raftelis Financial Consultants Inc. (RFC) and HF&H Consultants LLC (HF&H) to conduct cost of service analyses and studies pertaining to the rates for water, sewer, and solid waste services covering Fiscal Year 2025-26 and Fiscal Year 2026-27. These reports have been presented to the City and are available to the public. Based on the studies and considering increased costs of service, increases to rates for water, sewer, and solid waste services are required. Therefore, rate increases are recommended for these services to become effective on November 1, 2025, and July 1, 2026.

If approved, the overall recommended rate increases for a typical residential customer would result in an average increase to the combined monthly utility bill of approximately $8.65, or 7%, in the first year and $9.82, or 7%, in the second year. Actual bill impacts will depend on customer demand and usage characteristics.

The City proposes to continue passing through a treatment charge for costs imposed on the City by Inland Empire Utilities Agency ("IEUA"). The City is proposing to authorize passing through any increases in the IEUA treatment charge ("IEUA Charge") that are imposed on the City by IEUA for a

three-year period, commencing July 1, 2027, and any time thereafter through and including September 30, 2030. Any such annual pass through will only increase the IEUA Charge component of the sewer service fees, shall not exceed 10% in any calendar year, and in no event shall the rates for the IEUA Charge be increased by more than the cost of providing sewer treatment services. The IEUA Board has only approved treatment rates through July 1, 2026. The current monthly rate for the IEUA Charge for a single family residential unit ("Equivalent Dwelling Unit" or "EDU") is $27.02 and will be $29.45 effective July 1, 2026.

BACKGROUND & ANALYSIS: Pursuant to Proposition 218 (California Constitution, Article XIII D, Section 6), the City is required to conduct a public hearing and consider all written protests against the proposed changes and increases to the water, sewer, and solid waste rates. If at the conclusion of the public hearing, the written protests against the proposed changes do not constitute a majority of the City's affected parcels, the City Council may consider and adopt the proposed Resolution amending the water, sewer, and solid waste service charges and fees.

Pursuant to Proposition 218 (California Constitution, Article XIII D, Section 6), the City is required to comply with the following procedures prior to increasing water, sewer, and solid waste service fees and charges:

Proposition 218 Procedure:

1. Parcels upon which the increased fee or charge is proposed to be imposed have been identified and Proposition 218 Notice "Notice" was mailed on August 20, 2025 to (a) the record owner (as defined in California Government Code Section 53750(j) (the "Owner") of each identified parcel (as defined in California Government Code Section 53750(g), and (b) any customer of record who, at the time the notice is mailed, has a billing account with the City and is directly liable to pay the fee ("Customer") for an identified parcel.
2. The Notice contained (a) the amount of the fee or charge; (b) the basis on which it was calculated; (c) reason for the increase, and (d) the date, time, and location the City Council will conduct a public hearing on the proposed increase.
3. A public hearing has been scheduled for October 7, 2025 (at least 45 days after the Notice was mailed) to consider all written protests against the proposed increase to the fee or charge. If, at the conclusion of the hearing, written protests against the proposed increased fee are presented by a majority of Owners/Customers of parcels to be charged, the City may not increase the fee.

Resolution 2007-097 (Adopted on August 21, 2007) established the following procedures for considering protests against proposed rate increases in accordance with California Constitution, Article XIII D, Section 6(a):

1. Each Owner or Customer may submit one written protest per parcel. Each protest must be submitted to the City Clerk at 303 East "B" Street, Ontario, California 91764, or in person at the public hearing.

2. All protests must be received by the City Clerk by the close of the public hearing. Any protest received after the close of the public hearing, even if postmarked prior to that time, will not be accepted or counted.
3. Each protest must be in writing and provide the location of the identified parcel (by assessor's parcel number or street address) and include the signature of the Owner or Customer. Protests submitted by e-mail will not be accepted. Although oral comments or testimony at the public hearing will not qualify as a formal written protest, the City Council welcomes input from the public during the public hearing on the proposed fee.
4. To be valid, a protest must (a) state that it is in opposition to the proposed fee, and (b) contain the original signature of an Owner or Customer of the identified parcel. Any protest that does not contain this information or an original signature of either an Owner or Customer shall not be tabulated.
5. Any Owner or Customer who submits a protest may withdraw it by submitting a written request to withdraw the protest. The request must be submitted to the City Clerk prior to the close of the public hearing either at 303 East "B" Street, Ontario, California 91764, or in person at the public hearing. The withdrawal of a protest must include the location of the identified parcel (by assessor's parcel or street address) and include the original signature of the Owner or Customer who submitted the protest. Only the Owner or Customer who submitted the protest may withdraw it. A request to withdraw a protest submitted by e-mail will not be accepted.
6. If an identified parcel is owned by more than a single Owner or more than one name appears on the City's records as the Customer for the identified parcel, or if the Customer is not the Owner, each Owner or Customer may submit a protest; provided, however, only one protest will be counted per identified parcel. Any one protest submitted in accordance with these procedures shall be sufficient to count as a protest for that identified parcel.
7. The City Clerk shall determine the validity of all protests. The City Clerk shall not accept as valid any protest if the City Clerk determines that any of the following conditions exist:
    a. The protest is not in writing.
    b. The protest does not provide the location of the identified parcel by either assessor's parcel number or street address.
    c. The protest does not contain an original signature of an Owner or Customer of the property identified on the protest.
    d. The protest does not state its opposition to the proposed fee, which is the subject of the protest proceeding.
    e. The protest is not received by the City Clerk prior to the close of the public hearing on the proposed fee.
    f. A valid request to withdraw the protest is received prior to the close of the public hearing on the proposed fee.
8. The City Clerk's decision regarding the validity of a protest or a request for the withdrawal of a protest of shall constitute a final action of the City and shall not be subject to any internal appeal.
9. The City Clerk may begin to tabulate protests at any time after the close of the public hearing

on the proposed fee. In the event the City Clerk cannot complete the tabulation of the protests before the conclusion of the City Council meeting, the City Council may continue the action to impose or not impose the fee to another City Council meeting date. The continuation of the action on the item to another meeting does not reopen the public hearing on the proposed fee.

10. A majority protest exists if valid written protests are timely submitted and not withdrawn by the Owners of or Customers with respect to, a majority of the identified parcels.

Proposed Rates

Utility services for water, sewer, and solid waste are operated as separate Enterprise Funds and are not commingled with the City's General Fund. Utility services are funded by fees and charges (rates) and the budgets are set annually. Rates and services are reviewed periodically to ensure that the established service rates are:

- Adequate to recover costs reasonably borne in providing the services.
- Equitable to all customer classes.
- In compliance with all State and Federal regulations.
- Easily explained to customers.

The basis and reasons for the proposed changes and rate increases are to enable the City to recover operating expenses, and to maintain the operational and financial stability of the utilities, while maintaining our commitment to provide the highest quality services at the lowest possible rates for our customers. The proposed rates are based on multi-year financial plans. The multi-year financial plans assess the City's revenue requirements for both operations and capital facilities for water, sewer, and solid waste including information from the most recent master plans. The proposed rate increases will occur on November 1, 2025, and July 1, 2026.

AB 2257

AB 2257 was codified into Government Code Section 53759.1 and 53759.2 and provides an administrative remedy for ratepayers that wish to address a legal issue with the proposed rate increase. AB 2257 provides the ratepayers with a procedure for alleging noncompliance with the provisions of Article XIII D of the California Constitution for any new, increased, or extended fee or assessment via a timely submitted written objection to that fee or assessment that specifies the grounds for alleging noncompliance.

By implementing this procedure, the City is able to address any potential legal issues prior to adoption of the rates. Failure of a ratepayer to submit a timely valid legal objection prohibits them from any future judicial action or proceeding to review, invalidate, challenge, set aside, rescind, void, or annul the fee or assessment for failure to comply with Proposition 218. This procedure also provides a framework for the administrative record that will be used in such a proceeding.

The City has complied with the requirements of AB 2257 to establish an administrative remedy for ratepayers. The Prop 218 Notice includes all necessary information regarding this procedure including instructions on how to submit a formal written and legal objection. Ratepayers had an

opportunity to submit an objection regarding a proposed property-related water fee or charge, or any special assessment, to the City (local public agency governing body's) attention prior to the deadline established by the City as part of the rate or assessment consideration process (October 3, 2025).

The current and proposed rates are set forth in the attached resolution relating to services and fees for water, sewer, and solid waste.

Water

The Water Fund faces many challenges in providing safe, reliable water services. Many of these challenges continue to increase the cost of providing water services. Some of these include:

- The impact of drought on imported water availability, which constitutes approximately fifteen percent of the City's water supply.
- The cost of acquiring additional groundwater production rights needed to supplement the City production rights.
- Increases in operational costs, electricity, and chemicals for treatment.
- Increased costs to replace and reconstruct aging water facilities and to construct new facilities to correct existing system deficiencies.
- Legislative mandates related to more stringent Drinking Water Standards and the presence of various plumes of groundwater contaminants, such as nitrates, volatile organics and perchlorate, which reduce the useful life of some of the existing wells, limit the areas where new wells can be drilled, or require expensive water treatment.

To offset some of the cost increases to meet increasing regulatory requirements and pay for more expensive imported water, while maintaining or replacing aging infrastructure, the following cost avoidance and cost cutting measures have been implemented which will limit the proposed rate increase to a minimum:

- Expanding the use of recycled water as an alternative to more expensive imported water supply options.
- Reducing energy cost by controlling time of pumping and use of more efficient motors.
- Increasing operational efficiency to reduce labor cost.

The rate structure for water has three customer classes – Single Family Residential Potable ("SFR Potable"), Non-Single Family Residential Potable ("Non-SFR Potable") which includes multi-family, commercial and industrial customers, and Recycled ("Recycled"). The monthly water service charges consist of two components: (1) a fixed monthly service charge (the "Readiness to Serve Charge" or "Base Charge"), and (2) a variable monthly water usage charge (the "Commodity Charge"). The rates for the Readiness to Serve Charge are established on the basis of the meter size of the property receiving water service from the City and are calculated to recover a portion of the City's fixed costs for water facilities, repairs and replacements, as well as the cost of meter reading, billing, customer service, and other costs of operating the system. The rates for the Commodity Charge are calculated on the basis of the cost of providing water, including purchasing water, managing the City's water resources, costs for facilities necessary to accommodate peak use, and other costs that

the City incurs that fluctuate with the amount of water consumed, or that are incurred in order to have capacity to serve high water users. For SFR Potable customers, the proposed Commodity Charge consists of three tiers which will impose higher rates per unit of water as the level of consumption increases, in relation to the proportionally higher cost to provide water as consumption increases. For Non-SFR Potable (multi-family, commercial, and industrial customers) and Recycled customers, the proposed Commodity Charges consist of single uniform rates.

In addition to the water service charges described above, the City also imposes a monthly private fire service fee on certain properties as a condition of extending or initiating water service by (1) the installation of a private fire hydrant, and (2) upon the request of the consumer or property owner for the delivery of water to the property for the purpose of private fire service protection. The rates for the monthly fire service fees are established on the basis of the size of the pipe through which water is delivered to the private fire hydrant and is calculated to recover the cost of providing water to such properties for private fire service protection.

Based on the Study, and in light of increased costs, increases to the rates for water service fees are required to meet increased costs of service. The recommended water rates will increase the average residential water bill by $4.31 per month or 6% from the current rate of $69.93 per month to $74.24 per month effective on bills sent on or after November 1, 2025, and by $5.21 per month or 7% to $79.44 per month effective on bills sent on or after July 1, 2026. The recommended increase in water charges is needed to fund increased imported water costs, capital construction and replacement projects, and the increased cost of operations and water treatment.

Recycled water is an important part of Ontario' s water supply, and there has been rapid escalation in the cost to purchase recycled water from IEUA. As a result, the cost to provide recycled water to Ontario customers has increased. The overall recommended increase to the typical recycled water customer is estimated to increase by about 9% per month, each year. The recommended increase in recycled water charges is needed to fund the increased cost of purchasing recycled water and pay for operations, maintenance and capital construction.

Sewer

The City maintains the sewer collection system to provide a high level of customer service and comply with federal, state and local laws and regulations, particularly Waste Discharge Requirement (WDR) and Sanitary Sewer Overflow (SSO) regulations. These regulations require that the collection system be properly managed, operated, and always maintained, and that adequate capacity to convey base flows and peak flows for all parts of the collection system is provided. The SSO regulations require video inspecting of all sewer lines and taking all feasible steps to stop and mitigate the impact of sanitary sewer overflows.

The City contracts with IEUA for sewer treatment at regional sewer treatment facilities owned and operated by IEUA. The IEUA Board of Directors sets the treatment rate per EDU (“Equivalent Dwelling Unit” = one single family residence) which is charged to the City and passed through on the City utility bills. The City proposes to continue passing through the IEUA Charge for costs imposed on the City by IEUA for treatment.

The rate structure for the sewer rates includes two customer classes – Residential and Non-

residential. Residential customers, including single family and multi-family, are charged based on EDUs assigned to the property. EDUs are calculated based on the average single family residential household size of 3.83 people, each using 55 gallons of water per day with an average return to sewer factor of about 57%. In order to come up with the rate for multi-family residential customers, which are projected to have 3.08 people per household, the EDU is multiplied by 80% of a single family residential customer (3.08/3.83 equals approximately 80%). Non-residential customers are generally charged based on an average return to sewer factor of 90% of water usage for the applicable billing period.

Based on the Study, and in light of increases to current and projected costs, increases to the rates for single family and multi-family customers are recommended. The recommended rates for single family customers will increase the average residential sewer bill by about $0.45 (3%) per month, from $14.18 to $14.63, effective on bills sent on or after November 1, 2025, and by about $0.73 (5%) per month, from $14.63 to $15.36, effective on bills sent on or after July 1, 2026. The recommended rates for multi-family customers will increase the average sewer bill by about $0.36 (3%) per month, from $11.40 to $11.76 per residential unit, effective on bills sent on or after November 1, 2025, and by about $0.59 (5%) per month, from $11.76 to $12.35 per residential unit, effective on bills sent on or after July 1, 2026. Based on the Study and the overall allocation of the cost to provide sewer services, the charge for non-residential customers is proposed to be increase from $1.41 per HCF to $1.54 per HCF on or after November 1, 2025, and $1.54 to $1.62 per HCF on July 1, 2026.

Solid Waste

The City's Integrated Waste Division provides solid waste, recycling, and organics collection and related transportation, material processing, and disposal services to City residents and businesses. The City currently has a contract with Burrtec for the processing of its recyclables and organics and a contract with Waste Management for the processing, transfer, and disposal of refuse at the El Sobrante Landfill.

- Integrated Waste Fund expenses generally consist of:
- Landfill disposal costs including handling, transfer, and recycling services.
- Operation and maintenance expenses including collection and hauling; cart, bin, and roll off repair and replacement; household hazardous waste; supervision; utility billing and customer service.
- Cost allocations to the General Fund for City provided services.
- Street sweeping and illegal dumping clean up services.
- A capital improvement program.

Integrated Waste continues to face the challenges related to the cost to provide handling, transfer, landfill disposal, and recycling, especially regarding legislative mandates related to expanded diversion and recycling to help reduce greenhouse gas emissions, such as commercial and industrial recycling, food waste recycling, tire, mattress, and electronic waste handling and recycling, which are resulting in increased cost of service. As a result of the implementation of new State-mandated waste diversion programs and organic waste diversion regulations promulgated in response to Senate Bill 1383 (SB 1383) that took effect January 1, 2022, the City has experienced increased costs relating to legal requirements associated with combining food waste and yard

waste in organic carts.

To offset some of the cost increases associated with handling and disposal and regulatory requirements, the following cost avoidance and cost cutting measures have been implemented which will limit the proposed rate increase to a minimum:

- Extending the useful life of solid waste vehicles and equipment to reduce capital replacement costs.
- Increasing operational efficiency to help reduce labor costs such as conducting special collection events.

The rate structure for the solid waste service fees has three customer classes – Residential, Commercial, and Industrial. For Residential customers, the City offers a monthly rate for bundled solid waste, recycling, and organics service. For Commercial customers, the City offers monthly rates for subscription service and per pick-up rates for on-call service for solid waste, recycling, and organics bin service. For Industrial customers, the fees are calculated based on the cost to service roll off containers and the disposal cost of the material type collected. The fees are calculated based on the type and size of containers used, which includes carts, bins, and roll offs, the type of service, and the frequency of collection.

Outreach

In addition to the Prop 218 notification that was mailed to each property owner or utility billing customer, the City conducted additional outreach to help ensure transparency and community engagement regarding the proposed rate adjustments and how to participate in the process. Customers were informed through bilingual rate flyers that were included in all customer bills, summarizing the proposed rate changes and encouraging customers to go to our dedicated webpage containing bilingual materials, social media posts, and informational videos. Staff also attended community events to distribute flyers and answer questions or provided guidance. Throughout the process, customers were encouraged to access information via the website, social media, or direct contact with Staff.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING INCREASES OR MODIFICATIONS TO THE RATES FOR ITS WATER, SEWER, AND SOLID WASTE SERVICE CHARGES.

WHEREAS, the City of Ontario ("City") provides water, sewer, and solid waste services to residences, businesses and other properties in the City; and

WHEREAS, the City undertook rate studies to analyze the revenue requirements, and the rate structure necessary to fund infrastructure needs, programs, and operations and maintenance costs of the City's water, sewer, and solid waste services and to proportionately allocate the costs of providing such services; and

WHEREAS, the City retained Raftelis Financial Consultants Inc., an independent rate consultant, to conduct a water and sewer cost of service analysis and rate study (the "Study"); and

WHEREAS, the City retained HF&H Consultants LLC, an independent rate consultant, to conduct a solid waste cost of service analysis and rate study (the "Solid Waste Study"); and

WHEREAS**,** based on the Study and the Solid Waste Study, the City has determined that it is necessary to impose new, increased or modified rates for its water, sewer, and solid waste service charges (collectively herein, the "Charges"); and

WHEREAS, the rate structure for water has three customer classes - Single Family Residential Potable, Non-Single Family Potable, and Recycled; and

WHEREAS, the water service charges consist of two components: (1) a fixed charge (referred to as the "Readiness to Serve Charge" or the "Base Charge" on customer bills), determined on the basis of the size of the meter serving the property and (2) a variable monthly water usage charge (referred to as the "Commodity Charge" on customer bills) determined on the basis of the costs of providing water when demand fluctuates or to provide capacity to serve water users; and

WHEREAS, the City imposes a monthly private fire service fee on certain properties based on the size of the pipe through which water is delivered to the private fire hydrant to provide private fire service protection; and

WHEREAS, the City proposes to increase the rates for its water service charges effective November 1, 2025, and increased again on July 1, 2026; and

WHEREAS, the rate structure for sewer includes two customer classes – Residential and Non-Residential, with residential customers charged based on equivalent dwelling units, and is comprised of the City's sewer service charges, and a separate charge to recover costs imposed on the City by the Inland Empire Utilities Agency ("IEUA"); and

WHEREAS, the City proposes to increase the rates for its sewer service charges effective November 1, 2025, and increase again on July 1, 2026; and

WHEREAS, from time to time, IEUA adopts increases to the fees and charges imposed on the City for wholesale wastewater service, and to ensure sufficient revenues to provide continued sewer service to the City's customers, the City is will annually pass through to its customers any increases in the rates for wholesale sewer service imposed by IEUA and recovered through the IEUA charge ("IEUA Pass Through Treatment Charge Adjustment") for the period commencing July 1, 2027, through and including September 30, 2030; and

WHEREAS, the IEUA Pass Through Treatment Charge Adjustment will only impact the IEUA charge component of sewer service fees, shall not result in an increase to the IEUA charge of more than 10% in any calendar year water or increase the City's sewer service charges by more than the cost of providing sewer service, and property owners shall be notified at least 30 days in advance of any IEUA Pass Through Treatment Charge Adjustment; and

WHEREAS, the rate structure for solid waste, recycling and organics collection includes three customer classes – residential, commercial, and industrial, based on the container size, type of service, and frequency of collection; and

WHEREAS**,** the revenues derived from the Charges will not exceed the funds required to provide the services for which the Charges are imposed, and will be used exclusively for the operation and maintenance of the City's water, sewer, or solid waste systems, as applicable; and

WHEREAS**,** the Charges are equitable to all customer classes; and

WHEREAS**,** the amount of the Charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition; and

WHEREAS**,** the Charges will not be imposed on a parcel unless the service for which such Charge is imposed, is actually used by, or immediately available to, the owner of the parcel; and

WHEREAS**,** article XIII D, section 6 of the California Constitution ("Article XIII D") requires that prior to imposing any increase to the Charges, the City shall provide written notice (the "Notice") by mail of the new or increased Charges to the record owner of each parcel upon which the Charges are proposed for imposition and any tenant directly liable for payment of the Charges, the amount of the Charges proposed to be imposed on each parcel, the basis upon which the Charges were calculated, the reason for the Charges, and the date time and location of a public hearing (the "Hearing") on the proposed Charges, in addition to all information required pursuant to Government Code section 53759.1 in order ; and

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the Charges not less than forty-five days prior to the Hearing on the proposed Charges, and the City provided such notice in compliance with Article XIII D; and

WHEREAS, the Hearing was held on this day, October 7, 2025; and

WHEREAS, at the Hearing the City Council heard and considered all oral testimony, written materials, and written protests concerning the establishment and imposition of the proposed rate increases for the Charges, and at the close of the Hearing the City did not receive written protests against the establishment and imposition of the proposed rate increases for the Charges from a majority of the affected property owners subject to Charges; and

WHEREAS, the City Council now desires to establish and impose the proposed Charges as set forth in Exhibit A, B, and C.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ONTARIO AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The City Council finds and determines that the foregoing Recitals are true and correct and incorporates the Recitals herein.

SECTION 2. Adoption of Water Service Charges. The City Council hereby adopts the water service charges, to be effective on the dates, in the amounts, and at the rates set forth in Exhibit “A”, attached hereto and incorporated herein by this reference.

SECTION 3. Adoption of Sewer Service Charges. The City Council hereby adopts the sewer service charges, to be effective on the dates, in the amounts, and at the rates set forth in Exhibit “B”, attached hereto and incorporated herein by this reference.

SECTION 4. Adoption of IEUA Pass Through Treatment Charge Adjustment. The City Council hereby adopts the IEUA Pass Through Treatment Charge Adjustment for the period commencing July 1, 2027, through and including September 30, 2030. Pursuant to such authority, the City shall be authorized annually to increase the rate for the IEUA charge component of sewer service charges to account for any rate increase adopted by IEUA impacting the IEUA charge, provided the City shall not increase the IEUA charge component of the sewer service charges by more than 10% in any calendar year, and in no event shall any such IEUA Pass Through Treatment Charge Adjustment cause the sewer service charges to exceed the cost of providing sewer service. Prior to implementing any increase in the sewer service charges as a result of an IEUA Pass Through Treatment Charge Adjustment, the City shall provide written notice of the rate increase at least 30 days in advance of the effective date.

SECTION 5. Adoption of Solid Waste Service Charges. The City Council hereby adopts the solid waste service charges, to be effective on the dates, in the amounts, and at the rates set forth in Exhibit “C”, attached hereto and incorporated herein by this reference.

SECTION 6. CEQA. The City Council finds that the administration, operation, maintenance, and improvements of the City's water, sewer, and solid waste systems, which are to be funded by the Charges, and set forth herein, are necessary to maintain service within the City's existing water, sewer, and solid waste service areas as described herein. The City Council further finds that the administration, operation, maintenance and improvements of the City's water, sewer, and solid waste systems, to be funded by the Charges, will not expand the City's water, sewer and solid waste systems. The City Council further finds that the adoption of the Charges is necessary and reasonable to fund the administration, operation, maintenance and improvements of the City's water, sewer, and solid waste systems. Based on these findings, the City Council determines that the adoption of the Charges established by this Resolution are exempt from the requirements of the California Environmental Quality Act pursuant to section 21080(b)(8) of the Public Resources Code and section 15273(a) of the State CEQA Guidelines. The documents and materials that constitute the record of proceedings on which these findings have been based are located at City of Ontario, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City.

SECTION 7. Severability. If any section, subsection, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provisions to other persons or circumstances shall not be affected thereby. The City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

SECTION 8. Conflicts. The City is authorized to adopt the Charges by this Resolution pursuant to Ordinance No. 3133. All prior actions of the City Council, including resolutions, ordinances, or parts thereof, that are inconsistent with any provision of this Resolution are hereby superseded by this Resolution to the extent of such inconsistency.

SECTION 9. Effective Date. This Resolution shall take effect and be in full force and effect 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 7th day of October, 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 October 7, 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 October 7, 2025.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT "A"

SCHEDULE OF WATER SERVICE CHARGES

Commodity Charges (Monthly Water Use):								
SFR Potable					**Non-SFR Potable**			
	Units*	**Current**	**November 1, 2025**	**July 1, 2026**	Units*	**Current**	**November 1, 2025**	**July 1, 2026**
Tier 1	1-10	$2.40	$2.44	$2.61	Uniform	$3.07	$3.38	$3.62
Tier 2	11-18	$3.82	$4.55	$4.87				
Tier 3	Above 18	$4.59	$5.39	$5.76				
Recycled Water								
	Units*	**Current**	**November 1, 2025**	**July 1, 2026**				
	Uniform	$2.40	$2.65	$2.91				
*Water "Units" measured in HCF (One Hundred Cubic Feet = 748 gallons)								

Readiness to Serve (Base Charges):											
Potable Water				**Recycled Water**				**Fire Service**			
Meter Size	**Current**	**November 1, 2025**	**July 1, 2026**	Meter Size	**Current**	**November 1, 2025**	**July 1, 2026**	Pipe Size	**Current**	**November 1, 2025**	**July 1, 2026**
5/8"	$30.65	$31.64	$33.86	5/8"	$14.88	$15.20	$16.72	2"	$11.87	$11.97	$12.80
3/4"	$41.01	$42.36	$45.33	3/4"	$17.20	$17.70	$19.47	3"	--	$15.34	$16.41
1"	$61.84	$63.81	$68.27	1"	$21.85	$22.70	$24.97	4"	$22.36	$21.15	$22.63
1 1/2"	$113.82	$117.42	$125.64	1 1/2"	$33.46	$35.19	$38.71	6"	$46.17	$42.03	$44.97
2"	$176.20	$181.75	$194.47	2"	$47.40	$50.19	$55.21	8"	$87.25	$78.02	$83.49
3"	$373.73	$385.47	$412.45	3"	$91.53	$97.67	$107.44	10"	$149.03	$132.17	$141.43
4"	$664.84	$685.69	$733.69	4"	$156.56	$167.65	$184.41	12"	$234.66	$207.23	$221.73
6"	$1,361.40	$1,404.07	$1,502.35	6"	$312.18	$335.09	$368.59	16"	$488.93	$430.07	$460.18
8"	$2,505.02	$2,583.50	$2,764.35	8"	$567.67	$609.99	$670.99				
10"	$3,960.54	$4,084.59	$4,370.52	10"	$892.93	$959.86	$1,055.85				

EXHIBIT "B"

SCHEDULE OF SEWER SERVICE CHARGES

City Sewer Service Charges					**IEUA Charge**		
Customer Class	**Current**	**November 1, 2025**	**July 1, 2026**	Monthly Rates	**Current**	**November 1, 2025**	**July 1, 2026**
Single Family Residential per Unit				Rate per EDU*	$27.02	$27.02	$29.45
Multi-family Residential per Unit	$11.40	$11.76	$12.35				
Non-Residential per HCF ** (Proposed)	$1.41	$1.54	$1.62				
(*) EDU (Equivalent Dwelling Unit) is a term used to compare the flows generated by a single family residential unit for non-residential customers. IEUA multi-family is currently calculated at 0.7 EDU (70%).							
(**) HCF (One Hundred Cubic Feet) is used to measure water consumption. Non-residential customers' sewer service charge will be calculated based on billed water usage and a 90% return-to-sewer factor.							

EXHIBIT "C"

SCHEDULE OF SOLID WASTE SERVICE CHARGES

Automated 3-cart Set				Automated Extra Refuse Cart			
Gallons	Current	November 1, 2025	July 1, 2026	Gallons	Current	November 1, 2025	July 1, 2026
96	$43.81	$47.70	$51.59	96	$12.15	$14.04	$15.93
64	$39.45	$42.68	$45.91	64	$7.73	$8.96	$10.19
32	$35.60	$38.09	$40.59	32	$3.75	$4.27	$4.79
Automated Extra Recycling Carts				**Automated Extra Organic Waste Carts**			
Gallons	Current	November 1, 2025	July 1, 2026	Gallons	Current	November 1, 2025	July 1, 2026
96	$7.34	$8.28	$9.23	96	$13.69	$14.02	$14.36
64		$7.00	$6.66	64		$12.24	$10.79
32		$5.81	$4.28	32		$10.55	$7.40

Commercial Refuse Rates												
	Carts			Bins					Compactor			
	32 gal	64 gal	96 gal	1.5 yd	2 yd	3 yd	4 yd	6 yd	2 yd	3 yd	4 yd	6 yd
Once per week service – first container:												
Current			$16.81	$140.01	$154.23	$179.09	$213.25	$281.57	$235.71	$315.26	$404.12	$684.98
November 1, 2025	$8.48	$13.09	$18.57	$149.40	$163.25	$190.79	$222.89	$295.88	$237.86	$318.34	$404.31	$674.60
July 1, 2026	$9.08	$14.42	$20.33	$158.78	$172.28	$202.49	$232.53	$310.18	$240.02	$321.41	$404.50	$664.21
Once per week service - each additonal container:												
Current			$12.15	$40.94	$57.75	$83.91	$119.53	$189.71	$138.21	$220.11	$311.31	$594.52
November 1, 2025	$4.27	$8.96	$14.04	$42.67	$58.56	$87.26	$120.74	$195.59	$132.49	$214.83	$302.77	$575.24
July 1, 2026	$4.79	$10.19	$15.93	$44.41	$59.37	$90.61	$121.95	$201.46	$126.76	$209.54	$294.23	$555.96
Each additional pick-up per week:												
Current			$23.80	$58.15	$74.07	$98.92	$133.08	$201.40	$155.54	$235.09	$323.96	$604.82
November 1, 2025	$13.43	$18.02	$22.62	$53.68	$69.80	$97.33	$129.43	$202.41	$144.40	$224.87	$310.85	$581.14
July 1, 2026	$11.31	$16.63	$22.11	$50.90	$65.52	$95.73	$125.77	$203.42	$133.25	$214.65	$297.75	$557.46

Commercial Recycling Rates												
	Carts			Bins					Compactor			
	32 gal	64 gal	96 gal	1.5 yd	2 yd	3 yd	4 yd	6 yd	2 yd	3 yd	4 yd	6 yd
Once per week service – first container:												
Current			$10.21	$98.21	$107.56	$126.27	$144.98	$193.77	$141.14	$202.46	$253.14	$386.42
November 1, 2025	$5.96	$8.84	$11.62	$113.30	$123.44	$147.40	$168.84	$226.79	$166.28	$232.58	$286.70	$446.72
July 1, 2026	$6.55	$9.74	$13.03	$128.40	$139.32	$168.54	$192.71	$259.80	$191.43	$262.70	$320.27	$507.01
Once per week service - each additonal container:												
Current			$7.34	$38.46	$49.79	$71.96	$94.30	$153.85	$97.76	$161.42	$214.45	$350.07
November 1, 2025	$2.49	$5.46	$8.28	$39.55	$51.31	$77.88	$102.15	$167.89	$103.75	$171.90	$228.00	$390.20
July 1, 2026	$2.62	$5.89	$9.23	$40.65	$52.83	$83.80	$110.00	$181.92	$109.74	$182.39	$241.56	$430.32
Each additional pick-up per week:												
Current			$18.98	$55.67	$66.11	$86.97	$107.84	$165.54	$115.09	$176.41	$227.09	$360.37
November 1, 2025	$11.64	$14.53	$17.30	$48.66	$58.73	$87.95	$110.83	$174.71	$115.66	$181.95	$236.08	$396.09
July 1, 2026	$9.14	$12.34	$15.62	$47.70	$58.98	$88.92	$113.82	$183.88	$116.23	$187.50	$245.07	$431.81

Commercial Green Rates								
	Carts			Bins				
	32 gal	64 gal	96 gal	1.5 yd	2 yd	3 yd	4 yd	6 yd
Once per week service – first container:								
Current			$16.72	$109.27	$122.66	$149.45	$176.24	$229.82
November 1, 2025	$7.87	$12.47	$17.47	$131.98	$156.04	$190.45	$225.00	$293.67
July 1, 2026	$8.26	$13.06	$18.21	$154.69	$189.42	$231.44	$273.76	$357.52
Once per week service - each additonal container:								
Current								
November 1, 2025	$4.30	$8.99	$14.02	$49.46	$74.14	$109.41	$144.51	$214.34
July 1, 2026	$4.28	$9.16	$14.36	$54.96	$90.45	$133.35	$176.56	$261.83
Each additional pick-up per week:								
Current								
November 1, 2025	$13.46	$18.05	$23.05	$62.91	$86.98	$121.38	$155.94	$224.61
July 1, 2026	$10.80	$15.60	$20.75	$62.67	$97.40	$139.43	$181.75	$265.51

Commercial Organic Rates									
	Carts			Bins			Compactor		
	32 gal	64 gal	96 gal	1.5 yd	2 yd	3 yd	1.5 yd	2 yd	3 yd
Once per week service – first container:									
Current	$9.96	$16.82	$24.14	$292.06	$302.23	$322.57			
November 1, 2025	$7.47	$11.81	$16.39	$176.93	$224.03	$282.64	$282.64	$341.63	$458.47
July 1, 2026	$8.06	$12.73	$17.67	$190.76	$241.54	$304.73	$304.73	$368.33	$494.31
Once per week service - each additonal container:									
Current	$6.80	$13.76	$21.11	$100.57	$132.60	$196.18			
November 1, 2025	$3.68	$8.07	$12.70	$75.80	$123.68	$183.07	$181.51	$241.28	$358.90
July 1, 2026	$3.80	$8.33	$13.12	$78.26	$127.69	$189.01	$187.40	$249.12	$370.56
Each additional pick-up per week:									
Current	$18.59	$25.44	$32.76	$117.78	$148.92	$211.90			
November 1, 2025	$7.05	$11.38	$15.96	$77.51	$124.60	$183.21	$183.21	$242.20	$359.05
July 1, 2026	$7.59	$12.27	$17.21	$83.57	$134.34	$197.54	$197.54	$261.14	$387.11

Roll-Off Containers	Current	November 1, 2025	July 1, 2026
10 YD - Refuse	$247.61	$308.45	$369.29
20 YD - Refuse	$247.61	$308.45	$369.29
30 YD - Refuse	$247.61	$308.45	$369.29
40 YD - Refuse	$247.61	$308.45	$369.29
Recyling per load	$247.61	$308.45	$369.29
Inert/Green Waste per Load	$247.61	$308.45	$369.29
Compactor	$283.68	$352.16	$420.63
Dry Run/Other Haul Charge	$247.61	$308.45	$369.29