CITY OF ONTARIO

Regular City Council/Housing Authority Meeting
JUNE 2, 2026

City Hall
303 East B Street, Ontario, CA 91764

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

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

WELCOME TO A MEETING OF THE ONTARIO CITY COUNCIL

Teleconferencing Location:
Hollis Quick Offices
288 S. Merrimack Rd.
Hollis, NH 03049

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 54957.6, CONFERENCE WITH LABOR NEGOTIATORS
City Negotiator: City Manager or his designees; Bargaining Units: Ontario Police Officers Association, Ontario Police Management Group, Ontario Professional Firefighters Association Local 1430,

Ontario Fire Management Group, Department Heads, Executives, AFSCME Local 3061, Teamsters Local 1932, Association of Management Employees, Confidential Group, and Part-time Employees.

ATTACHMENT: 20260602 Closed Session

PLEDGE OF ALLEGIANCE

Council Member Macias

INVOCATION

Senior Pastor Dr. Brian E. Kennedy, Mt. Zion Church of Ontario

REPORT ON CLOSED SESSION

City Attorney

SPECIAL CEREMONY

TWENTY-SIXTH ANNUAL MODEL COLONY AWARDS

That the City Council present the 2026 "Model Colony" Awards for Historic Preservation

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 and Housing Authority of April 21, 2026, and regular meetings of the City Council, Housing Authority and Ontario Public Financing Authority of May 5, 2026, and approving same as on file in the Records Management Department.

ATTACHMENT: 20260421 Meeting Minutes (Not Official Until Approved)
ATTACHMENT: 20260505 Meeting Minutes (Not Official Until Approved)

2. BILLS & PAYROLL

Bills April 17, 2026 through May 14, 2026, and Payroll April 5, 2026 through May 2, 2026.

3. A CONSTRUCTION CONTRACT WITH GARCON CONSTRUCTION, INC. FOR THE REAP 2.0 - MISSION BOULEVARD SIDEWALK IMPROVEMENT PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Construction Contract with Garcon Construction, Inc., of Ontario, California, for the REAP 2.0 - Mission Boulevard Sidewalk Improvement Project in the amount of $145,874, plus a 10% contingency of $14,587 for a total not-to-exceed contract amount of $160,461; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: REAP 2.0 - Mission Boulevard Sidewalk Improvement Project - Draft Contract.pdf
ATTACHMENT: Exhibit A - Location Map.pdf

4. A RESOLUTION ADOPTING THE LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SENATE BILL 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

That the City Council authorize the City Manager, or his designee, to adopt a Resolution approving the Fiscal Year 2026-27 Project List for Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SENATE BILL 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.

ATTACHMENT: Road Maintenance and Rehabilitation Account_02_RESO_RM
ATTACHMENT: Exhibit A-Road Maintenance and Rehabilitation Account.pdf

5. A SOLE SOURCE AGREEMENT FOR A LIBRARY CATALOGING TOOL SUBSCRIPTION, INTERLIBRARY LOAN MANAGEMENT TOOL SUBSCRIPTION, AND LICENSING OF E-BOOKS AND E-AUDIOBOOKS

That the City Council authorize the City Manager, or his designee, to execute a three-year sole source agreement with OCLC, Inc. of Dublin, Ohio, with a not-to-exceed amount of $292,837.

ATTACHMENT: OCLC_Agreement.pdf

6. AN AMENDMENT TO THE PUBLIC SERVICES AGREEMENT WITH PRIMA PARTNERS CONSULTING, LLC FOR STATE ADVOCACY SERVICES

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Prima Partners Consulting, LLC, for State Advocacy Services, in the amount of $120,000 for a new total not-to-exceed agreement amount of $240,000 and to extend the agreement for an additional one-year term.

ATTACHMENT: Prima Partners No.1A.pdf

7. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH TOWNSEND PUBLIC AFFAIRS, INC. FOR FEDERAL ADVOCACY SERVICES

That the City Council authorize the City Manager, or his designee, to execute the Amendment No. 2 to the Professional Services Agreement with Townsend Public Affairs, Inc., of Newport Beach, California, for Federal Advocacy Services in the amount of $84,000, increasing the total not-to-exceed agreement amount to $190,500 and to extend the agreement for an additional one-year term.

ATTACHMENT: Townsend No.2A.pdf

8. A CONSTRUCTION CONTRACT WITH TUNNELWORKS SERVICES, INC., FOR THE SEWER CURED-IN-PLACE PIPE (CIPP) LINING REHABILITATION PROJECT

That the City Council take the following actions:

A. Approve the plans and specifications and award a Construction Contract with TunnelWorks Services, Inc., of Whittier, California, for Contract No. UT1080 Sewer Cured-In-Place Pipe (CIPP) Lining Rehabilitation Project in the amount of $3,180,240 plus a 15% contingency of $477,036, for a total not-to-exceed amount of $3,657,276 and a term of 365 calendar days after issuance of notice to proceed, and authorize the City Manager, or designee, to execute said contract and file a notice of completion at the conclusion of construction activities related to the project.
B. Reject the bid protest from Performance Pipeline Technologies against Tunnelworks

Services, Inc. as without merit.

ATTACHMENT: 20260602 CC with Tunnelworks 01 AGMT.pdf

ATTACHMENT: Exhibit A.pdf

9. AN AMENDMENT TO THE MASTER SERVICES AGREEMENT WITH ENVISIO SOLUTIONS, INC. FOR PERFORMANCE MANAGEMENT AND STRATEGIC PLANNING SOFTWARE SERVICES

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 4 to the Master Services Agreement with Envisio Solutions, Inc. for continued performance management and strategic planning software services in the amount of $170,625, increasing the total not-to-exceed agreement amount to $306,025 and extending the term through June 18, 2031.

ATTACHMENT: Envisio Amendment No.4.pdf

10. GRANT FUNDING CONTINUATION FROM OMNITRANS MEASURE I FOR THE ONTARIO SILVER S.T.A.R.S. PROGRAM FOR 2026-2028

That the City Council authorize the City Manager, or his designee, to execute grant documents and accept a $1,156,851 Omnitrans Measure I continuation grant for July 2026 through June 2028 to fund the Ontario Silver S.T.A.R.S. Program.

ATTACHMENT: View_Award_Proposal.pdf

ATTACHMENT: Ontario Funding Agreement & Cont. Expansion.pdf

11. AMENDMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE 20/20 NETWORK FOR STRATEGIC COMMUNICATIONS AND PUBLIC AFFAIRS CONSULTING

That the City Council approve and authorize the City Manager, or designee, to execute Amendment No. 3 to the Professional Services Agreement with Lambert 20/20 Communications, Inc., dba The 20/20 Network, of Claremont, California, for strategic communications and public affairs consulting services, in the amount of $60,000, for a revised total not-to-exceed contract amount of $352,000, and to extend the term through June 30, 2027.

ATTACHMENT: Lambert No.3.docx

12. A RENEWAL WITH SUITEBRIAR, INC, FOR THE ASANA SOFTWARE ENTERPRISE MODULE

That the City Council approve and authorize the City Manager, or his designee, to execute the renewal with Suitebriar, of Herdon, Virginia, for the use of the Asana Enterprise module in the amount of $496,125, for a total contract amount not to exceed $922,261 for a three-year term.

ATTACHMENT: City of Ontario_ Asana renewal 2026.pdf

13. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR DATA CONSULTING AND IMPLEMENTATION SERVICES WITH RESULTANT, LLC.

That the City Council authorize the City Manager or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Resultant, LLC of Indianapolis, Indiana, increasing the authorized contract amount by $200,000 for a total contract amount not to exceed

$500,000 and an additional two-year term.

ATTACHMENT: Amendment 1_Resultant_Professional Services Agreement.pdf

14. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY, AND FINAL PARCEL MAP NO. 20526 LOCATED ON THE SOUTHEAST CORNER OF MISSION BOULEVARD AND SULTANA AVENUE

That the City Council adopt a Resolution approving an Improvement Agreement, Improvement Security, and Final Parcel Map No. 20526, located on the southeast corner of Mission Boulevard and Sultana Avenue.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY, AND FINAL PARCEL MAP NO. 20526 GENERALLY LOCATED AT THE SOUTHEAST CORNER OF MISSION BOULEVARD AND SULTANA AVENUE.

ATTACHMENT: Parcel Map No. 20526 01 EXH A.pdf
ATTACHMENT: Parcel Map No. 20526_02_RESO_RM
ATTACHMENT: Parcel Map No. 20526 03 SIA.pdf

15. A CONSTRUCTION CONTRACT FOR CITY'S BROADBAND FIBER CONDUIT INSTALLATION SERVING AREA 05 SYSTEM BUILD - PHASE I

That the City Council take the following actions:

A. Approve Construction Contract No. BB-2026-001, FY 2025-26 City Fiber Conduit Installation - Serving Area 05 System Build - Phase I (on file in the Records Management Department), to Pramira, Inc. of Brea, California, to provide fiber optic conduit installation services in the amount of $893,779 plus a ten percent (10%) contingency of $89,378 for a total authorized expenditure of $983,157; and
B. Authorize the City Manager or designee to execute said contract and all documents required for the completion of the project, including, but not limited to, purchase orders, contracts, agreements, easements, reduction of retention accounts, and the filing of a Notice of Completion at the conclusion of all related work.

ATTACHMENT: Exhibit A_Serving Area 05 I Map.pdf
ATTACHMENT: Construction Contract_Pramira Inc.docx

16. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES TO PUBLIC CLIENTS

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with All City Management Services, Inc., of Santa Fe Springs, California, for crossing guard services to extend the agreement by two additional one-year terms and increase the contract amount by $1,758,319, for a total not-to-exceed contract amount of $4,987,973.

ATTACHMENT: Amendment 1 All City Management MSM Rev 05 28 2026 .pdf

17. AN AGREEMENT WITH TRIMBLE INC, FOR THE TRIMBLE UNITY MAINTAIN WORK ORDER AND ASSET MANAGEMENT SYSTEM, FOR PUBLIC WORKS AND ONTARIO MUNICIPAL UTILITIES COMPANY

That the City Council approve and authorize the City Manager, or his designee, to execute the Trimble Unity Maintain work order and asset management system used by Public Works and Ontario Municipal Utilities Company (OMUC) with Trimble Inc, of Westminster, Colorado, for a total contract amount not-to-exceed $1,043,382 for a five-year term.

ATTACHMENT: Trimble_Final_2026-05-14_Ontario_ CA_Maintain Elite Unlimited Suite_Order Form and Terms v4.0 5.pdf

18. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH SWA GROUP, INC., FOR THE ONTARIO MUSEUM OF HISTORY AND ART LANDSCAPE RENOVATION PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with SWA Group, Inc., of Laguna Beach, California, for on-call Landscape Architectural Services for the Ontario Museum of History and Art Landscape Renovation Project in the amount of $193,300 for a total not-to-exceed contract amount of $293,300 and extend the agreement for an additional one-year term; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: 2. Amendment SWA No. 1.pdf

19. A GOODS AND SERVICES AGREEMENT WITH FLASHPARKING, INC. FOR THE VINEYARD PARKING STRUCTURE PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Goods and Services Agreement with Flashparking, Inc., of Austin, Texas, for the Vineyard Parking Structure Project in the amount of $213,154 plus a 15% contingency of $31,973, for a total not-to-exceed contract amount of $245,127 consistent with the terms and conditions of the Publicly Solicited Contract #PS24290; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: Flashparking- Proposal
ATTACHMENT: Master Services Agreement

ATTACHMENT: 2. Goods and Services Agreement - FlashParking.pdf

20. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH ARDURRA GROUP, INC. FOR THE SPORTS COMPLEX OFFSITE IMPROVEMENTS PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 5 to the Design Services Agreement with Ardurra Group, Inc., of Newport Beach, California, for the Sports Complex Offsite Improvements Project in the amount of $664,696 for a total not-to-exceed contract amount of $5,776,771; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: Ardurra Group Inc. - Amendment No. 5.pdf

21. A CONSTRUCTION CONTRACT WITH ELEGANT CONSTRUCTION INC., FOR THE MUSEUM NORTH WING GALLERY PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Construction Contract No. D&C23-009 with Elegant Construction Inc., of Irvine, California for the Museum North Wing Gallery project in the amount of $1,517,000 plus a 20% contingency of $303,400 for a total not-to-exceed contract amount of $1,820,400; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

ATTACHMENT: PWA DC23-009 North Wing Gallery Contract.pdf

22. JAY LITTLETON BALL PARK

That the City Council authorize the City Manager, or his designee, to execute all required agreements and contracts to open Jay Littleton Ball Park for minimum baseball services.

23. A PROFESSIONAL SERVICES AGREEMENT WITH NORTHPOINT CONSULTING, INC., FOR THE EVALUATION OF WASTEWATER AND RECYCLED WATER SERVICE ALTERNATIVES

That the City Council approve and authorize the City Manager, or designee, to execute the Professional Services Agreement with NorthPoint Consulting, Inc., of Arcata, California, for the Evaluation of Wastewater and Recycled Water Service Alternatives for a total not-to-exceed contract amount of $419,700 and a term from July 1, 2026 to December 31, 2027.

ATTACHMENT: 20260325 PSA with NorthPoint Consulting Group 01 AGMT.pdf

24. PROFESSIONAL SERVICES AGREEMENT WITH NOSSAMAN LLP FOR LEGAL AND TECHNICAL SERVICES PERTAINING TO WATER AND WASTEWATER MATTERS

That the City Council approve and authorize the City Manager, or designee, to execute a two-year Professional Services Agreement with Nossaman LLP of Los Angeles, California, for legal and technical services relating to sewer disposal, water supply, and water rights for a not-to-exceed contract amount of $3,700,000 for Fiscal Years 2026-27 and 2027-28 and a term from July 1, 2026 thru June 30, 2028.

ATTACHMENT: 20260427 Nossaman Engagment Agreement.pdf

25. A DESIGN SERVICES AGREEMENT WITH PACIFIC ADVANCED CIVIL ENGINEERING, INC., FOR THE FEASIBILITY STUDY AND PRELIMINARY DESIGN REPORT OF THE JOHN GALVIN PARK WATER TREATMENT PLANT UPGRADES PROJECT

That the City Council approve and authorize the City Manager, or designee, to execute a Design Services Agreement with Pacific Advanced Civil Engineering, Inc. (PACE) of Fountain Valley, California, to provide professional engineering design services for the John Galvin Park Water Treatment Plant Upgrades Project, Contract No. UT1089, for an amount of $186,565 plus a 10% contingency of $18,657 for a total not-to-exceed amount of $205,222, and a term from June 2, 2026 to December 31, 2029.

ATTACHMENT: Exhibit A.pdf

ATTACHMENT: 20260602 DSA with Pacific Advanced 01 AGMT.pdf

PUBLIC HEARINGS

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

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26. A PUBLIC HEARING TO CONSIDER THE ADOPTION OF AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT (FILE NO. PDA25-004) BETWEEN THE CITY OF ONTARIO, SLV LC CENTER LLC, HCW LC CENTER LLC, STRACK FARMS LAND LLC, RHV EDISON AVE LLC, MV EDISON AVE LLC, AND EPC HOLDINGS 938 LLC

That the City Council introduce and waive further reading of an Ordinance Approving a Development Agreement (File No. PDA25-004) between the City of Ontario, SLV LC Center LLC, HCW LC Center LLC, Strack Farms Land LLC, RHV Edison Ave LLC, MV Edison Ave LLC, and EPC Holdings 938 LLC.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECOMMENDING CITY COUNCIL APPROVE FILE NO. PDA25-004, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND SLV LC CENTER LLC, HCW LC CENTER LLC, STRACK

FARMS LAND LLC, RHV EDISON AVE LLC, MV EDISON AVE LLC, AND EPC HOLDINGS 938, LLC TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE PARCEL MAP NO. 20779 (FILE NO. PMTT25-007), LOCATED ON THE NORTHWEST CORNER OF HAMNER AVENUE AND LADYBUG PASEO WITHIN PLANNING AREA 10A OF THE RICH-HAVEN SPECIFIC PLAN. (APN: 0218-211-40).

ATTACHMENT: File No. PDA25-004_Risewell Homes_01_EXH A&B.pdf
ATTACHMENT: File No. PDA25-004 Risewell Homes 02 ORD_RM
ATTACHMENT: File No. PDA25-004_Risewell Homes_03_DEV_AGR.doc

27. A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 77 (THE RESORT AT ONTARIO RANCH FACILITIES); ADOPTION OF A RESOLUTION DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS; 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. 77 (The Resort at Ontario Ranch Facilities), 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 deeming it necessary for the district to incur bonded indebtedness within Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities);
C. Adopt a Resolution calling a special election for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities);
D. Adopt a Resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien;
E. Introduce and waive further reading of an Ordinance levying special tax within City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities);
F. Adopt a Resolution authorizing the execution and delivery of an acquisition and funding agreement with SL Ontario Development Company, LLC ("SLODC"); and
G. Adopt a Resolution making a declaration of official intent to reimburse expenditures for costs of facilities with bond proceeds and related actions.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 77 (THE

RESORT AT ONTARIO RANCH FACILITIES).

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. 77 (THE RESORT AT ONTARIO RANCH FACILITIES).

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN ACQUISITION AND FUNDING AGREEMENT WITH SL ONTARIO DEVELOPMENT COMPANY, LLC.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, MAKING A DECLARATION OF OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR COSTS OF FACILITIES WITH BOND PROCEEDS AND RELATED ACTIONS.

ATTACHMENT: CFD 77 The Resort at Ontario_Ranch_01_RESO-Formation_RM
ATTACHMENT: CFD 77 The Resort at Ontario Ranch Facilities 01A EXH B RMA.pdf
ATTACHMENT: CFD 77 The Resort at Ontario Ranch 02 RESO Deeming_Necessity_RM
ATTACHMENT: CFD 77 The Resort at Ontario Ranch 03 RESO Calling_Election_RM
ATTACHMENT: CFD 77 The Resort at Ontario Ranch 04 RESO Declaring_Results_of_Election_RM
ATTACHMENT: CFD 77 The Resort at Ontario Ranch 05 ORD Levy Tax_RM
ATTACHMENT: CFD 77 The Resort at Ontario Ranch 06 Reso Authorizing Acquisition Agmnt
ATTACHMENT: CFD 77 The Resort at Ontario Ranch 09 RESO Reimbursement_RM

28. A PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION OF NECESSITY TO ACQUIRE BY EMINENT DOMAIN A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1207 AND 1217 EAST HOLT BOULEVARD, CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA AND MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NOS. 0110-061-10 AND 0110-061-21 FOR THE GROVE AND HOLT HOUSING PROJECT

That the City Council:

A. Consider adopting a Resolution of Necessity for the Grove and Holt Housing Project and provide each party with an interest in the affected property, their attorneys or representatives, an opportunity to be heard on the issues relevant to the Resolution of Necessity;
B. Make the following findings as hereinafter described in this report:
(1) The public interest and necessity require the proposed project;
(2) The project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury;
(3) The real property to be acquired is necessary for the project;
(4) The offers of just compensation have been made to the property owners; and
C. Adopt a Resolution of Necessity declaring that the acquisition by eminent domain of a fee

simple interest in certain real property, more particularly described as Assessor's Parcel Nos. 0110-061-10 and 0110-061-21 (the "Property"), is necessary for the Grove and Holt Housing Project in Ontario, California (the "Project").

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1207 EAST HOLT BOULEVARD, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NO. 0110-061-10-0000, FOR THE GROVE AND HOLT HOUSING PROJECT, IN ONTARIO, CALIFORNIA.

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1217 EAST HOLT BOULEVARD, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NOS. 0110-061-21-0000, FOR THE BON VIEW AND HOLT HOUSING PROJECT, IN ONTARIO, CALIFORNIA.

ATTACHMENT: Grove and Holt Exhibit 1 to Staff Report 01.docx
ATTACHMENT: Grove and Holt Housing Project Resolution_1_02_RM
ATTACHMENT: Grove and Holt Housing Project Exhibit 1 to Reso 1 03.pdf
ATTACHMENT: Grove and Holt Housing Project Resolution 2 04-RM
ATTACHMENT: Grove and Holt Housing Project Exhibit 1 to Reso 2 05.pdf
ATTACHMENT: Grove and Holt Housing Project Notice to Owner 1 06.docx
ATTACHMENT: Grove and Holt Housing Project Notice to Owner 2 07.docx
ATTACHMENT: Grove and Holt Housing Project Memorandum 08.docx

29. A PUBLIC HEARING TO RECEIVE AND RESPOND TO PUBLIC COMMENTS ON THE DRAFT 2025 URBAN WATER MANAGEMENT PLAN, DRAFT WATER SHORTAGE CONTINGENCY PLAN, AND RESOLUTIONS ADOPTING THE 2025 URBAN WATER MANAGEMENT PLAN AND WATER SHORTAGE CONTINGENCY PLAN

That the City Council:

A. Conduct a public hearing to receive and respond to Public Comments on the Draft 2025 Urban Water Management Plan and Draft Water Shortage Contingency Plan.
B. Adopt Resolutions adopting the 2025 Urban Water Management Plan and Water Shortage Contingency Plan.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING THE 2025 URBAN WATER MANAGEMENT PLAN (UWMP).

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A WATER SHORTAGE CONTINGENCY PLAN (WSCP).

ATTACHMENT: 2025 Urban Water Management Plan 01_RESO_RM
ATTACHMENT: Exhibit A 2025 Urban Management Plan_02 Reso.pdf
ATTACHMENT: 2025 Water Shortage Contingency Plan 03_RESO_RM

ATTACHMENT: 20260602 Exhibit A Water Shortage Contingency Plan Reso.pdf

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

30. A PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE CITY OF ONTARIO AND SAN BERNARDINO COUNTY

That City Council approve a Purchase and Sale Agreement ("Agreement") (On File with Records Management) for the property consisting of approximately 73.19 acres, located at the southwest corner of Bon View Avenue and Eucalyptus Avenue ("Site"), and authorize the City Manager or his designee, to finalize and implement non-substantive revisions to the Purchase Agreement, and execute and implement any and all contracts, agreements, and other documents required to effectuate the Agreement.

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)*
June 2, 2026

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 54957.6, CONFERENCE WITH LABOR NEGOTIATORS
  City Negotiator: City Manager or his designees; Bargaining Units: Ontario Police Officers Association, Ontario Police Management Group, Ontario Professional Firefighters Association Local 1430, Ontario Fire Management Group, Department Heads, Executives, AFSCME Local 3061, Teamsters Local 1932, Association of Management Employees, Confidential Group, and Part-time Employees.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

_____
City Attorney / City Manager / Executive Director

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **SPECIAL CEREMONY**
Department: Planning Prepared By: Elly Antuna Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No:

SUBJECT: TWENTY-SIXTH ANNUAL MODEL COLONY AWARDS

RECOMMENDATION: That the City Council present the 2026 "Model Colony" Awards for Historic Preservation

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

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

BACKGROUND & ANALYSIS:

The Planning Commission, acting as the Historic Preservation Commission, developed the "Model Colony" Awards program to recognize outstanding achievement in the preservation of Ontario's historic resources.

The "Model Colony" Awards are presented by the City Council each spring to coincide with National Historic Preservation Month. On May 5, 2026, the City Council proclaimed the month of May 2026 as "Historic Preservation Month" in the City of Ontario. Five awards will be presented in the categories of preservation. On April 28, 2026, the Planning/Historic Preservation Commission considered each category and chose the following recipients:

Rehabilitation Award: For achievement in the rehabilitation of a historic resource.

***Recipient*: Bank of Italy and Bumstead Bicycles Buildings, Ontario Park Plaza One, LLC.**

Award of Merit: For achievement in the ongoing preservation of a historic resource.

***Recipient*: Bumstead Bicycles Building, El Balcon Restaurant.**

Award of Merit: For achievement in the ongoing preservation of a historic resource.

***Recipient*: 734 East F Street, Gilbert Caughman.**

Award of Merit: For achievement in the ongoing preservation of a historic resource.

***Recipient*: The Avenue Board House, Ed and Mary Rivas.**

Rehabilitation Award: For achievement in the rehabilitation of a historic resource.

***Recipient*: 712 East H Street, Barry Liu.**

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY
MINUTES
APRIL 21, 2026
(Not Official Until Approved)

JOINT MEETINGS

The regular meetings of the Ontario City Council and Housing Authority were held on Tuesday, April 21, 2026, at Ontario City Hall, 303 E. B Street Ontario, California.

OPEN MEETING CALLED TO ORDER

Mayor Leon called the joint meetings to order at 6:00 p.m.

ROLL CALL

PRESENT:	Mayor/Chairman:	Paul S. Leon
	Mayor pro Tem/Vice Chair:	Alan D. Wapner
	Council/Authority Members:	Debra Porada, and Daisy Macias
ABSENT:	Council/Authority Members:	Jim W. Bowman

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

INFORMATION RELATIVE TO POSSIBLE CONFLICTS OF INTEREST

Although there was no legal conflict, Mayor pro Tem Wapner recused himself from Closed Session out of an abundance of caution.

CLOSED SESSION

Mayor Leon inquired whether persons were present who wished to speak to the Closed Session item. Hearing no one, City Attorney Duran announced the matter for discussion as listed on the agenda. Mayor Leon recessed to Closed Session at 6:02 p.m.

GC 54957.6, CONFERENCE WITH LABOR NEGOTIATORS
City Negotiator: City Manager or his designees; Bargaining Units: Ontario Professional Firefighters Association Local 1430

OPEN MEETING CALLED TO ORDER

Mayor Leon reconvened the meetings at 6:30 p.m. for the regular session.

PLEDGE OF ALLEGIANCE

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

INVOCATION

Invocation was led by Pastor Gresford Thomas from Ontario Seventh Day Adventist Church.

REPORT ON CLOSED SESSION

City Attorney Duran announced there was no reportable action.

PUBLIC COMMENT

Assistant City Clerk Isbell announced written communications:
Matt Munson, in opposition to establishing an immigrant legal defense fund.
Patricia Aria, in favor of retaining soccer fields.

Mayor Leon called upon the speakers:
Andrew Hanif announced Take Back Day, an event to collect and safely dispose of unused medications.
Leticia Duran, spoke regarding community resources and outreach.
Randy Bekendam, spoke regarding Prop 70 land and agricultural recreation.
Dale, spoke regarding his interactions with the Police Department.
Lois Sicking, spoke regarding truck routes.
Donna Littleton Phares, requested an update on Jay Littleton Ballpark.
Chris Robles, spoke regarding Jay Littleton Ballpark.
Brad Neumann, spoke regarding his personnel grievance.
Donna Marchese, spoke regarding support for the Animal Resource Center of the Inland Empire.
Tommy Mushegain, spoke regarding various topics.
Jacqueline Carter, spoke regarding fireworks.
Jennifer Daley, spoke regarding truck yard-use concerns.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa announced an updated copy of the exhibits to the Resolution being considered under Agenda Item No. 4. The update reflected payments received from property owners up to 9:00 a.m. on Tuesday, April 21, 2026. The updated materials reflected a revised and reduced amount for assessments now totaling $172,180.07 related to 67 parcels, which means that $27,645.14 for 24 parcels was collected, postponed, or settled since the public agenda was prepared.

CONSENT CALENDAR

Public Comment:
Mayor Leon called upon the speaker:
Chris Robles, spoke in opposition to Agenda Item No. 8.

MOTION: Moved by Council Member Porada, seconded by Council Member Macias and carried by a vote of 4-0, with Council Member Bowman absent, to approve the Consent Calendar as presented.

1. APPROVAL OF MINUTES

Approved minutes for the regular meetings of the City Council and Housing Authority of March 17, 2026, and approving same as on file in the Records Management Department.

2. BILLS & PAYROLL

Approved Bills March 20, 2026 through April 2, 2026, in the amount of $53,080,317.57 and Payroll March 8, 2026 through March 21, 2026, in the amount of $5,960,405.88.

3. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH Z&K CONSULTANTS, INC., FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE FOURTH STREET STORM DRAIN, WATER MAIN AND STREET IMPROVEMENTS PROJECT

The City Council authorized the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Z&K Consultants, Inc., of Riverside, California, to provide construction management services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project in the amount of $418,750 for a total not-to-exceed contract amount of $758,126, and extend the contract through June 4, 2029.

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

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

RESOLUTION NO. 2026-025 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A REPORT REQUESTING THE PLACEMENT OF SPECIAL ASSESSMENTS ON PROPERTY TAX BILLS FOR CIVIL PENALTIES OR RECOVERY OF COSTS INCURRED FOR ABATEMENT OF VIOLATIONS OF CITY CODES AND ORDINANCES.

5. A SETTLEMENT AGREEMENT WITH ASSOCIATED PHARMACIES, INC., J M SMITH CORPORATION, MORRIS AND DICKSON CO., LLC, LOUISIANA WHOLESALE DRUG COMPANY, INC., NORTH CAROLINA MUTUAL WHOLESALE DRUG COMPANY, INC., AND UNITED NATURAL FOODS, INC.

The City Council authorized the City Manager, or his designee, to opt into a

Settlement Agreement with opioid distributors, and execute documents necessary to implement the action.

6. A CHANGE ORDER WITH 3M CONSTRUCTION CORPORATION FOR THE LATIMER FIELD CONCESSION AND RESTROOM RENOVATION PROJECT AT JOHN GALVIN PARK

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute Change Order No. 2 to the Construction Contract with 3M Construction Corporation, of Anaheim, California, for the Latimer Field Concession and Restroom Renovation Project at John Galvin Park, in the amount of $142,768, which includes $48,378 in additional funds and $94,390 from previously approved contingency, for a total not-to-exceed contract amount of $1,086,667; and
B. Authorized the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, 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.

7. A PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE CITY OF ONTARIO AND 325 SAGO, LLC

The City Council approved a Purchase and Sale Agreement ("Agreement") and authorized the City Manager, or his designee, to execute and implement any and all contracts, agreements, and other documents required to effectuate the Agreement.

8. AN ORDINANCE AMENDING CHAPTER 8B OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATED TO WATER SERVICE FEES

The City Council adopted an Ordinance amending Section 6-8.51 of Chapter 8B of Title 6 of the Ontario Municipal Code related to water service fees. First reading and introduction took place at the regular meeting of April 7, 2026.

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

9. PROFESSIONAL SERVICES AGREEMENTS WITH LEED ELECTRIC, INC., AND

PROJECTLINE TECHNICAL SERVICES, INC., FOR ON-CALL WATER FACILITIES ELECTRICAL SYSTEMS AND MASTER PLANNING SERVICES

The City Council took the following actions:

A. Authorized the City Manager, or designee, to execute a three-year Professional Services Agreement with Leed Electric, Inc., of Santa Fe Springs, California for On-Call Water Facilities Electrical Systems and Master Planning Services in the amount of $200,000 per year for a three-year total not-to-exceed amount of $600,000 and a term from July 1, 2026 to June 30, 2029, with the option to extend the Agreement for up to two additional one-year term extensions consistent with City Council approved budgets.
B. Authorized the City Manager, or designee, to execute a three-year Professional Services Agreement with Projectline Technical Services, Inc., of Costa Mesa, California for On-Call Water Facilities Electrical Systems and Master Planning Services in the amount of $350,000 per year for a three-year total not-to-exceed amount of $1,050,000 and a term from July 1, 2026 to June 30, 2029, with the option to extend the Agreement for up to two additional one-year term extensions consistent with City Council approved budgets.

10. AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH AMERICAN THREAT ASSESSMENT CONSULTING, INC. FOR SECURITY CAMERA INSTALLATION AT THE ONTARIO POLICE DEPARTMENT

The City Council authorized the City Manager, or his designee, to execute Amendment No. 14 to the Maintenance Services Agreement with American Threat Assessment Consulting, Inc. (A.T.A.C.), of Rancho Cucamonga, California, in the amount of $42,906 for security camera installation at the Ontario Police Department, for a total not-to-exceed contract amount of $3,221,364.

11. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CALTEK TECHNOLOGIES, INC., FOR LOW-VOLTAGE CABLING AND EQUIPMENT INSTALLATION

The City Council authorized the City Manager, or designee, to execute Amendment No. 9 to the Professional Services Agreement with CalTek Technologies, Inc., (CalTek) of Ontario, California, in the amount of $23,512 for low-voltage cabling at the Ontario Police Department, for a total not-to-exceed contract of $649,244.

PUBLIC HEARINGS

12. AMENDMENT TO THE CITY'S FIVE-YEAR (2019-2023) PERMANENT LOCAL HOUSING ALLOCATION PLAN

The City Council took the following actions:

A. Conducted a public hearing to receive comments relating to a proposed amendment to the City of Ontario's Five-Year Permanent Local Housing Allocation Plan (PHLA Plan);
B. Adopted a Resolution approving the PLHA Plan amendment; and
C. Authorized the City Manager, or his designee, to execute the PLHA Plan amendment, and any documents related to the amendment.

RESOLUTION NO. 2026-026 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN AMENDMENT TO THE PERMANENT LOCAL HOUSING ALLOCATION PLAN FOR THE PERMANENT LOCAL HOUSING ALLOCATION PROGRAM.

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

Mayor Leon opened the public hearing and inquired if anyone was interested in speaking to the item. Hearing no one, Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Council Member Porada, seconded by Mayor pro Tem Wapner, and carried by a vote of 4-0, with Council Member Bowman absent, to adopt Resolution No. 2026-026.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

13. CANVASS OF A SPECIAL MUNICIPAL ELECTION ON MARCH 24, 2026

The City Council adopted a Resolution of the City Council of the City of Ontario, California, reciting the facts of the Special Municipal Election held on March 24, 2026, and declaring the results thereof and such other matters as provided by law.

RESOLUTION NO. 2026-027 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECITING THE FACT OF THE SPECIAL MUNICIPAL ELECTION HELD ON MARCH 24, 2026; DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW.

There were no written communications or persons present who wished to speak to the item. Mayor Leon called on City Manager Ochoa to provide background information on the item.

MOTION: Motion made by Council Member Porada, seconded by Council Member Macias, and carried by a vote of 4-0, with Council Member Bowman absent, to adopt Resolution No. 2026-027.

STAFF MATTERS

City Manager Ochoa had no updates.

COUNCIL MATTERS

Council Member Porada had no comments.

Mayor pro Tem Wapner had no comments.

Council Member Macias had no comments.

Mayor Leon had no comments.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 7:13 p.m.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY/
ONTARIO PUBLIC FINANCING AUTHORITY
MINUTES
MAY 5, 2026
(Not Official Until Approved)

JOINT MEETINGS

The regular meetings of the Ontario City Council, Housing Authority, Public Financing Authority were held on Tuesday, May 5, 2026, at Ontario City Hall, 303 E. B Street Ontario, California.

OPEN MEETING CALLED TO ORDER

Mayor Leon called the joint meetings to order at 6:30 p.m.

ROLL CALL

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

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

INFORMATION RELATIVE TO POSSIBLE CONFLICTS OF INTEREST

There were no conflicts of interest reported.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Bowman.

INVOCATION

Invocation was led by Pastor Sean Thurin from Calvary Chapel Ontario.

SPECIAL CEREMONIES

The City Council proclaimed the month of May 2026 as Historic Preservation Month.

PUBLIC COMMENT

Assistant City Clerk Isbell announced a written communication:
Lory Masonis, with questions regarding Item No. 7.

Mayor Leon called upon the speakers:
Roxanna Gracia, announced upcoming events on behalf of Assembly Member Michelle Rodriguez's office.
Michael Feinstein, spoke regarding representation for the City in the assembly and state districts.
Kizzee, spoke regarding the Grove Plaza.
Janet Ricardez, spoke regarding yard sale frequency.
Chris Robles, spoke regarding May as Historical Preservation month.
Marty McBride, spoke in opposition to public comment time announcements.
Randy Bekendam, spoke regarding Prop 70 land.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa had no announcements.

CONSENT CALENDAR

Public Comment:
Mayor Leon called upon the speakers:
Chris Robles, spoke in opposition to Item Nos. 4 and 8.
Tommy Mushegain, spoke in opposition to Item No. 9.

Council Member Macias left the chamber at 6:56 p.m. and returned to the dais at 6:59 p.m.

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

1. APPROVAL OF MINUTES

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

2. BILL & PAYROLL

Approved Bills April 3, 2026 through April 16, 2026, in the amount of $66,164,406.13 and Payroll March 22, 2026 through April 4, 2026, in the amount of $6,212,432.39.

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

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

RESOLUTION NO. 2026-028 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITY FOR DEVELOPMENT PLAN NO. PDEV22-015 LOCATED AT 201 EAST RIVERSIDE DRIVE.

4. FY 2025-26 THIRD QUARTER BUDGET UPDATE

The City Council approved the budget adjustments and recommendations as presented in the Fiscal Year 2025-26 Third Quarter Budget Update Report.

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

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

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

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

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

The City Council took the following actions:

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

RESOLUTION NO. 2026-029 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING, AUTHORIZING, AND

DIRECTING CITY EXECUTION OF THE JOINT EXERCISE OF POWERS AGREEMENT RELATING TO MEMBERSHIP IN THE SAN BERNARDINO REGIONAL HOUSING TRUST.

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

The City Council took the following actions:

A. Authorized a cooperative purchase agreement for D&C23-022 Ontario Sports Empire with Margaret C. Pett, Inc. DBA Info-Com Business Products (Info-Com), of Altadena, California, for the purchase and installation of furniture in the amount of $15,741,575 plus a 10% contingency of $1,574,158, for a total not-to-exceed contract amount of $17,315,733, consistent with the terms and conditions of the OMNIA Contract Number R240101; and

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

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

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute four Construction Contracts to provide various construction services for Bid No. 1985 - D&C25-004 – Flight Tower Restaurant (Steel, Concrete, Site Utilities, Electrical) located at ONT Field, in the amount of $6,029,470 and authorize a combined contingency of $1,000,000 for a total not-to-exceed contract amount of $7,029,470,

1. 02 – Structural Steel – KCB Towers, Inc.: $2,687,675
2. 03 – Concrete – Pacific Southwest Structures, Inc.: $2,517,095
3. 04 – Site Utilities – Continental Plumbing, Inc.: $425,000
4. 05 - Electrical – Rancho Pacific Electric Construction, Inc.: $399,700; and

B. Rejected the bid protest from RCCI DBA Ramirez Company for D&C25-004 – Flight Tower Restaurant (Steel, Concrete, Site Utilities, Electrical) as it is without merit; and

C. Authorized the extension of working hours to be Monday through Saturday from 6:00 am to 11:00 pm and on Sunday from 8:00 am to 6:00 pm for the duration of the construction of the Flight Tower Restaurant; and

D. Authorized the City Manager or his designee to execute Amendment No. 5 to the Professional Services Agreement with RMA Group, of Rancho Cucamonga, California to provide on-call geotechnical consulting, materials testing and special inspection for the Flight Tower Restaurant at ONT Field in the amount

of $107,118 for a total not-to-exceed contract amount of $5,643,363; and

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

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

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

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

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

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

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

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute Amendment No. 9 to the Design Services Agreement with Thirtieth Street Architects, Inc., of Costa Mesa, California, for additional architectural services for the Downtown Mobility Hub Project in the amount of $50,000 for a total not-to-exceed contract amount of $1,334,900; and

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

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

The City Council took the following actions:

A. Authorized the City Manager, or his designee, to execute a Construction Contract with McCarthy Building Companies, Inc., of Newport Beach, California, to provide design-build construction services for the D-Block Parking Structure in the amount of $24,711,514 and authorize a contingency of $2,471,151 for a total not-to-exceed contract amount of $27,182,665; and

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

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

The City Council took the following actions:

A. Approved the One-Year Action Plan for Fiscal Year 2026-27 for the Community Development Block Grant ("CDBG"), HOME Investment Partnerships ("HOME"), and Emergency Solutions Grant ("ESG") Programs (on file in the Records Management Department);

B. Directed Staff to prepare and transmit the final documents to the U.S. Department of Housing and Urban Development ("HUD"); and

C. Authorized the City Manager, or his designee, to take all actions necessary or desirable to implement the One-Year Action Plan for Fiscal Year 2026-27 and Subrecipient Agreements.

PUBLIC HEARINGS

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

The City Council and the Ontario Public Financing Authority held a public hearing and the took the following actions:

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

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

RESOLUTION NO. 2026-030 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE, LEASE AGREEMENT, INDENTURE, BOND PURCHASE CONTRACT AND CONTINUING DISCLOSURE CERTIFICATE IN CONNECTION WITH THE ISSUANCE OF ONTARIO PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, APPROVING THE ISSUANCE OF SUCH BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $330,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

RESOLUTION NO. OPFA-017 A RESOLUTION OF THE ONTARIO PUBLIC FINANCING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF A GROUND LEASE, LEASE AGREEMENT, INDENTURE, BOND PURCHASE CONTRACT AND ASSIGNMENT AGREEMENT IN CONNECTION WITH THE ISSUANCE OF ONTARIO PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, AUTHORIZING THE ISSUANCE OF SUCH BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $330,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

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

Mayor Leon opened the public hearing and called on the speakers:
Chris Robles, spoke in opposition.
Tommy Mushegain, spoke in opposition.

Hearing no one else, Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Council Member Bowman, seconded by Council Member Porada, and carried by a vote of 5-0, to adopt Resolution Nos. 2026-030 and OPFA-017.

STAFF MATTERS

City Manager Ochoa had no updates.

COUNCIL MATTERS

Mayor pro Tem Wapner inquired about Jay Littleton Ballpark reopening costs.

Council Member Bowman also spoke of reopening Jay Littleton Ballpark.

Mayor Leon requested Jay Littleton Ballpark be added to a meeting agenda for discussion.

Council Member Macias had no comments.

Council Member Porada agreed Jay Littleton should be agendized and announced community events.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 7:11 p.m.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Tricia Maruki Department: Public Works Prepared By: Tricia Maruki 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: **A CONSTRUCTION CONTRACT WITH GARCON CONSTRUCTION, INC. FOR THE REAP 2.0 - MISSION BOULEVARD SIDEWALK IMPROVEMENT PROJECT**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Construction Contract with Garcon Construction, Inc., of Ontario, California, for the REAP 2.0 - Mission Boulevard Sidewalk Improvement Project in the amount of $145,874, plus a 10% contingency of $14,587 for a total not-to-exceed contract amount of $160,461; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

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

FISCAL IMPACT: On January 20, 2026, the City Council approved a Memorandum of Understanding with SBCTA to receive REAP 2.0 Funds on a reimbursement basis up to an amount not-to-exceed $233,949 for the construction of pedestrian improvements on Mission Boulevard from Euclid to Plum Avenue. The recommended Construction Contract with Garcon Construction, Inc. is in the amount of $145,874, plus a 10% contingency of $14,587 for a total not-to-exceed contract amount of $160,461. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Grants Fund for the construction of the REAP 2.0 - Mission Boulevard Sidewalk Improvement Project.

BACKGROUND & ANALYSIS: The REAP 2.0 program is a statewide effort to accelerate progress toward California's housing and climate goals by providing flexible funding for projects that expand transportation options for residents of affordable housing, encourage alternative travel modes, reduce vehicle-miles traveled, and improve related infrastructure. Ontario's portion of the program advances REAP 2.0 goals by investing in active transportation infrastructure and expanding bicycle and pedestrian facilities.

The REAP 2.0 - Mission Boulevard Sidewalk Improvement Project general scope of work to be performed under this construction contract consists of earthwork/fill, placement of PCC sidewalk, removal of trees, and installation and adjustment of other appurtenances necessary to complete the improvements as described in the Plans and Specifications. A project location map is provided for reference as Exhibit "A". In March 2026, the City solicited bids for Bid No. 1982, and nineteen bids were received. The following is a summary of the bid results:

COMPANY	LOCATION	AMOUNT
Garcon Construction, Inc.	Ontario, California	$145,874
DASH Construction Company, Inc.	Woodland Hills, California	$146,860
Horizon Underground, Inc.	Norco, California	$147,351
Golden Coast Construction	La Habra, California	$149,796
Global Enterprises Group, Inc.	Laguna Hills, California	$149,888
Carter Enterprises Group, Inc.	Anaheim, California	$156,888
CT&T Concrete Paving, Inc.	Diamond Bar, California	$159,613
Coast United Construction, Inc.	Fullerton, California	$166,600
Compass Contracting & Consulting Inc.	Fullerton, California	$173,380
All American Building Services	Santa Clarita, California	$177,320
TVR Construction Engineering LLC	Riverside, California	$179,756
Siterep Construction Services, Inc.	San Dimas, California	$186,968
Gentry General Engineering Inc.	Colton, California	$189,882
Leonida Builders, Inc.	Acton, California	$194,800
Estate Design and Construction	Culver City, California	$196,500
Gentry Brothers, Inc.	Irwindale, California	$203,165
Roadway Engineering & Construction Corp.	Perris, California	$206,340
Prestige Prime Engineering	El Cajon, California	$213,905
Paveco Construction, Inc.	Baldwin Park, California	$246,350

Garcon Construction, Inc., of Ontario, California, is the apparent low bidder that met all the required

specifications with a base cost of $145,874. Based on the credentials and favorable reference checks, Staff recommends awarding a construction contract to Garcon Construction, Inc. for the REAP 2.0 - Mission Boulevard Sidewalk Improvement Project.

ENVIRONMENTAL REVIEW: The environmental impacts of this project were reviewed and Staff determined that the Project is categorically exempt from the requirements of the California Environmental Quality Act pursuant to Section 15301 (Class 1, Existing Facilities) of the California Environmental Quality Act, whereas the project consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of lead agency' s determination.

MAYOR
PAUL S. LEON

MAYOR PRO TEM
ALAN D. WAPNER

COUNCIL MEMBERS
JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

CITY CLERK
SHEILA MAUTZ

CITY TREASURER
JAMES R. MILHISER

CITY MANAGER
SCOTT OCHOA

SECTION 00500
CONTRACT

THIS CONTRACT is entered as of _____, in the County of San Bernardino, State of California, by and between the City of Ontario, hereinafter called City, and **Garcon Construction, Inc.**, hereinafter called Contractor. The City and the Contractor for the considerations stated herein agree as follows:

ARTICLE 1. **SCOPE OF WORK**. The Contractor shall perform all Work within the time stipulated 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:

REAP 2.0 - MISSION BOULEVARD SIDEWALK IMPROVEMENT PROJECT

The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. **TIME FOR COMPLETION**. Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within 30 (thirty) calendar days from the commencement date stated in the Notice to Proceed, herein after the Contract Time. By its signature hereunder, Contractor agrees the Contract 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 **One Hundred Forty-Five Thousand, Eight Hundred Seventy-Four Dollars and 00/100 ($145,874.00)**, hereinafter the Contract Price. Payment shall be made as set forth in the General Conditions.

ARTICLE 4. **LIQUIDATED DAMAGES**. The 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, as provided in Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of **$3,600** for each and every calendar day of delay in completing the Work 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 the Liquidated Damages are 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 Article does not affect the City's rights to other damages or remedies specified in the Contract Documents or allowed by law.

Should Contractor be inexcusably delayed in the performance of the Work, City may deduct Liquidated Damages based on its estimate of when Contractor will achieve Final Completion or other milestones. City need not wait until Final Completion to withhold Liquidated Damages from Contractor.

Liquidated Damages are not a penalty but an agreed upon estimate of the actual damages that would be sustained by the City for delay, including but not limited to loss of revenue, inconvenience to the City and the public, and increased Project administration expenses, such as extra inspection, construction management, staff time and architectural and engineering expenses. Liquidated Damages do not include actual damages the City incurs on account of claims by third parties against the City on account of any delay.

Should money due or to become due to the Contractor be insufficient to cover Liquidated Damages or other offsets due, then Contractor forthwith shall pay the remainder of the assessed liquidated damages to City.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT. The "Contract Documents" include the following documents, each of which is incorporated into this Contract by reference:

- Notice Inviting Bids
- Instructions to Bidders
- Bid Form
- Contractor's Certificate Regarding Workers' Compensation form
- Bid Bond
- List of Subcontractors form
- Contractor Information and Experience Form
- Non-Collusion Declaration form
- Public Works Contractor Registration Certification form
- Iran Contracting Act Certification form
- Fleet Compliance Certification form
- Contract
- Performance Bond
- Payment Bond
- Environmental documents and approvals (If Applicable)
- General Conditions
- Special Conditions

- Standard Specifications for Public Works Construction (Greenbook), latest Edition, except Sections 1-9
- Technical Specifications
- Addenda (If Applicable)
- Plans and Drawings dated
- Approved and fully executed Change Orders
- Applicable Local Agency Standards and Specifications, as last revised
- Federal Requirements (If Applicable)
- Any other documents contained in or incorporated into the Contract

The Contactor 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. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. **PROVISIONS REQUIRED BY LAW**. 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 Public Contract Code applicable to this Project.

ARTICLE 7. **INDEMNIFICATION**. Contractor shall provide indemnification 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 City Clerk's office or may be obtained online at http//www.dir.ca.gov/dlsr. and which must be posted at the job site.

[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

GARCON CONSTRUCTION, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

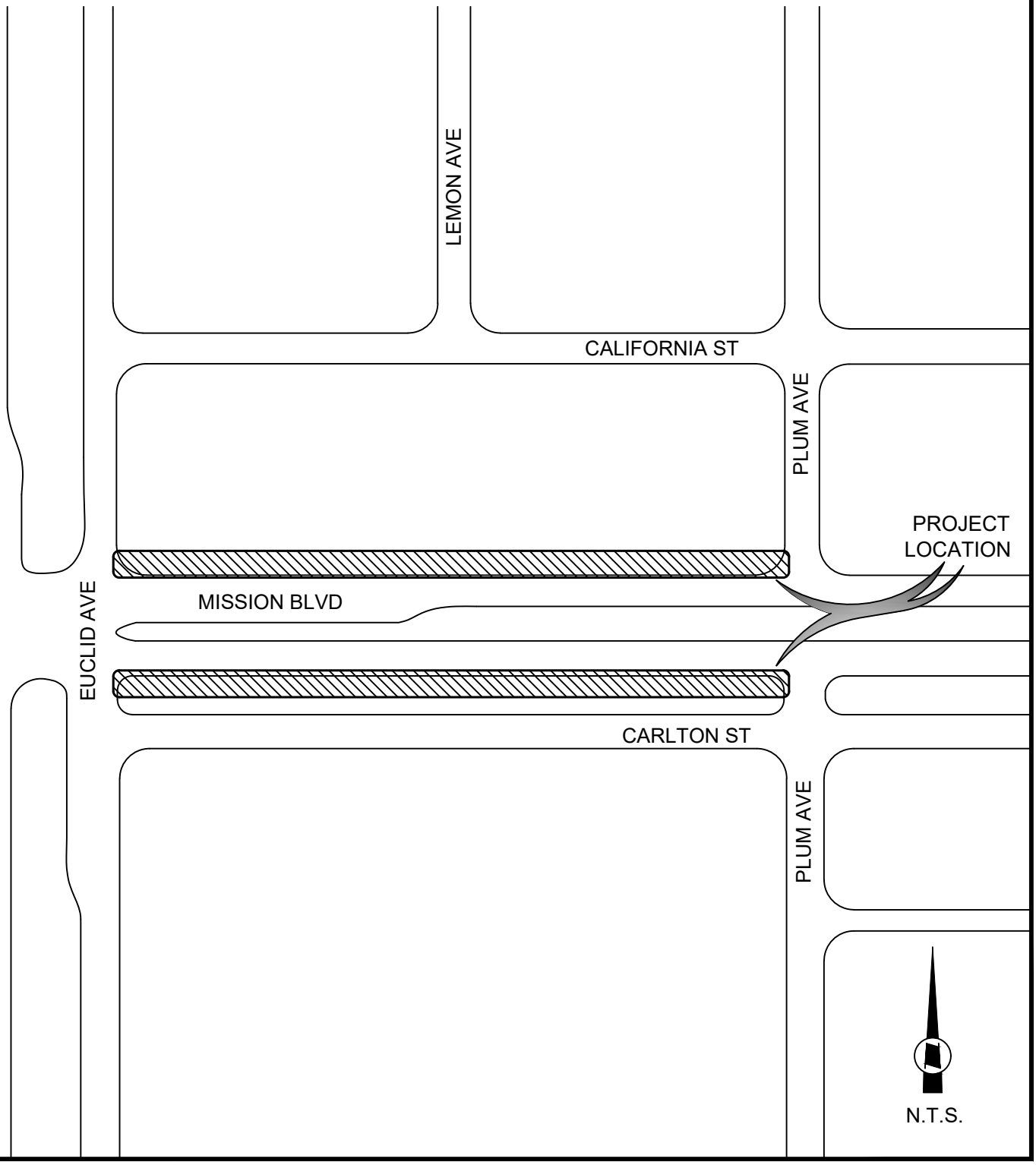
_____
Contractor's License Number and Classification

_____
DIR Registration Number

END OF CONTRACT

REAP 2.0 - MISSION BOULEVARD SIDEWALK IMPROVEMENT PROJECT

EUCLID AVENUE TO PLUM AVENUE



CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Tricia Maruki 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: 4

SUBJECT: **A RESOLUTION ADOPTING THE LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SENATE BILL 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to adopt a Resolution approving the Fiscal Year 2026-27 Project List for Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: This spending plan identifies the recommended uses for the City's Fiscal Year 2026-27 apportionment of Road Maintenance and Rehabilitation Account (RMRA) funds from SB1, which is projected to be at $5,174,105 for the upcoming fiscal year. The proposed projects for Fiscal Year 2026-27 are consistent with the projects included in the City's proposed Five-Year Capital Improvement Program to be presented to City Council as part of the Fiscal Year 2026-27 Proposed Budget.

BACKGROUND & ANALYSIS: On April 28, 2017, Governor Brown signed SB1 (Beall, Chapter 5, Statutes of 2017), which is known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation, and critical safety needs on both the State highway and local streets and road system, RMRA increases per gallon fuel excise taxes, increases diesel fuel sales taxes and vehicle registration fees, and provides for inflationary adjustments to tax rates in future years. Prior to receiving an annual apportionment of RMRA funds from the California State Controller, the City must submit an adopted list of projects to the California Transportation Commission by July 1, 2026. The proposed project list must be adopted by Resolution (with public record of the action taken) of the City Council at a regular public meeting each fiscal year. The proposed projects for Fiscal Year 2026-27 (Exhibit "A" of the Resolution) are consistent with the projects included in the City's proposed Five-Year Capital Improvement Program submitted to the City Council for the upcoming fiscal year's budget.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SENATE BILL 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.

WHEREAS, Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of all projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated $5,174,105 in RMRA funding in Fiscal Year 2026-27 from SB1; and

WHEREAS, this is the tenth year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, the City used a Pavement Management System to develop the SB1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB1 will help the City maintain and rehabilitate streets/roads, bridges, and add active transportation infrastructure throughout the City this year and many similar projects into the future; and

WHEREAS, the 2023 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in a "good" condition and this revenue will help us increase the overall quality of our road system and over the next decade will bring our streets and roads to an "excellent" condition; and

WHEREAS, the SB1 project list and overall investment in our local streets and roads infrastructure, with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE, BE IT RESOLVED, ORDERED AND FOUND by the City Council of the City of Ontario, State of California:

1. That the foregoing recitals are true and correct.

2. That the attached list (Exhibit A) of proposed projects will be funded in-part or solely with Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account revenues.

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

PASSED, APPROVED, AND ADOPTED this 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026-_____ was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026-_____ duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A
Local Streets and Roads Program
Fiscal Year 2026-27 Proposed Projects List

AGENCY NAME: City of Ontario
AGENCY CONTACT: Tricia Maruki
tmaruki@ontarioca.gov

Project Title and Description	Project Type	Project Limits	Begin Project	End Project	Estimated Useful Life
FY 2025-26 CARRYOVER					
FY 2025-26 Traffic Signal Modification (Construction)	Traffic Signal	Fourth Street and Turner Avenue	7/1/2025	6/30/2027	15-25 years
Construction of north-south left-turn phasing at the intersection of Fourth Street and Turner Avenue.					
FY 2025-26 Traffic Signal Installation (Construction)	Traffic Signal	San Antonio Avenue and State Street	7/1/2025	6/30/2027	15-25 years
Construction of a new traffic signal and corresponding railroad improvements at the intersection of San Antonio Avenue and State Street.					
FY 2026-27					
FY 2026-27 Traffic Signal Modification	Traffic Signal	Vineyard Avenue and Mission Boulevard	7/1/2026	6/30/2027	15-25 years
Design of traffic signal modifications at the intersection of Vineyard Avenue and Mission Boulevard to provide controlled access.					
FY 2026-27 Traffic Signal Installation	Traffic Signal	Euclid Avenue and Phillips Street; Walker Avenue and Riverside Drive	7/1/2026	6/30/2027	15-25 years
Design of new traffic signals at the intersections of Euclid Avenue and Phillips Street and Walker Avenue and Riverside Drive.					
FY2026-27 Signal Safety Improvements	Traffic	Haven Avenue from 4th Street to Riverside Drive and Milliken Avenue from 4th Street to Riverside Drive	7/1/2026	6/30/2027	15-25 years
Implementation of yellow retroreflective backplates and battery back up units at traffic signal locations.					
FY 2026-27 Street Light Improvements	Traffic	Area bounded by H Street, Vine Avenue,Granada Court, and San Antonio Avenue	7/1/2026	6/30/2027	15-25 years
Installation of new LED street lights at critical locations within residential areas.					
FY2026-27 Citywide Striping Improvements	Traffic	Area bounded by Euclid Avenue, the I-10, I-15, and SR-60 Freeways.	7/1/2026	6/30/2027	15-25 years
Various signing and striping safety improvements throughout the City related to traffic engineering requests.					
FY 2026-27 Pavement Rehabilitation Project (Spring)	Asphalt Overlay	Allyn Avenue from Holt Boulevard to G Street	3/1/2027	6/30/2027	15-35 years
Construction of Rubberized Asphalt Hot Mix pavement including removal and replacement of failing pavement areas, replacement of damaged sidewalk, curb and gutter, placement of ADA ramps, updated signage and striping. This rubberized ashpalt mix is a high performing asphalt product that extends the pavement life while providing an environmentally friendly recycled tire usage.					
FY 2026-27 Alley Rehabilitation Project (Spring)	Asphalt Overlay	Alley south of 6th Street between Kenmore Avenue and Charmore Avenue; Alley south of Ralston Street between Oakland Avenue and Vine Avenue; Alley south of Maitland Street between Oakland Avenue and Vine Avenue;	3/1/2027	6/30/2027	15-35 years

Reconstruction of alleys at various locations throughout the City with new concrete ribbon gutters, new drive approaches, and new asphalt pavement.					
FY 2026-27 Slurry Seal/Cape Seal Program	Slurry/Cape Seal	Area bounded by Campus Avenue, Vineyard Avenue, Holt Boulevard and Eighth Street	8/1/2026	11/30/2026	10-15 years
Application of Type II Polymer Modified slurry seal, Reclaimed Asphalt Pavement cape seal, and PCC curb ramp construction.					
Sixth Street Roadway Improvement Project	Complete Streets	Sixth Street from Mountain Avenue to Euclid Avenue; and Sixth Street and Elderberry Avenue	8/1/2026	2/28/2027	15-35 years
Removal of rock curb and modification to traffic calming elements including construction of curb, gutter, access ramps, traffic signage, and striping, rehabilitation of the pavement with an asphalt rubberized overlay.					
Pedestrian Intersection Improvements	Complete Streets	Mission Boulevard and San Antonio Avenue; Euclid Avenue and Fourth Street; Bon View Avenue and Maitland Street	7/1/2026	6/30/2027	15-35 years
Construction of concrete ramps, Accessible Pedestrian Signals (APS), pavement, and other related improvements to meet American with Disabilities Act (ADA) compliance.					
Laurel Avenue and D Street Improvements	Complete Streets	Laurel Avenue from D Street to Alley between D St and E St D Street from Laurel Avenue to Alley between Laurel Avenue and Euclid Avenue	7/1/2026	6/30/2027	15-35 years
Removal and reconstruction of damaged and non-standard curb and gutter, sidewalk, driveways, access ramps, parkway drain, striping, and related improvements as needed.					
Turner Avenue Storm Drain and Street Improvements	Complete Streets	Turner Avenue from 500' South of Guasti Road to the Southerly Cul-de-Sac	7/1/2026	6/30/2027	15-35 years
Construction of a master-planned storm drain facility, including installation of reinforced concrete pipe and appurtenant drainage structures, connection to existing storm drain systems and culverts, replacement of existing open channel, and other improvements to accommodate roadway widening.					
FY 2026-27 ADA Ramp Improvements	ADA Ramps	Area bounded by Riverside Drive to the south, Benson Avenue to the west, the I-10 Freeway to the north and Etiwanda Avenue to the east	7/1/2026	6/30/2027	15-35 years
Removing and replacing existing non-compliant American with Disabilities Act (ADA) concrete ramps and installation of new ADA concrete ramps that don't currently exist in City neighborhoods.					

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Library Prepared By: Kelly Zackmann Staff Member Presenting: Helen McAlary, Executive Director Community Life and Culture Reviewed By: Andrea M Lopez, Lacey A Rightmer Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 5

SUBJECT: **A SOLE SOURCE AGREEMENT FOR A LIBRARY CATALOGING TOOL SUBSCRIPTION, INTERLIBRARY LOAN MANAGEMENT TOOL SUBSCRIPTION, AND LICENSING OF E-BOOKS AND E-AUDIOBOOKS**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute a three-year sole source agreement with OCLC, Inc. of Dublin, Ohio, with a not-to-exceed amount of $292,837.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

FISCAL IMPACT: The estimated cost over three years is $292,837. Annual expenditures under the agreement will vary based on the number of e-book and e-audiobook licenses purchased each year. If approved, appropriations in the General Fund will be included in future Annual Budgets to City Council for approval as needed.

BACKGROUND & ANALYSIS: The Ontario City Library purchases approximately 32,000 books, DVDs, and audio recordings each year for the community to check out and use. Staff use a cataloging tool from OCLC, Inc. to create records for all purchased items, which keeps track of the collection and organizes materials according to library industry standards. Library catalog records are the primary way public library users locate materials they need. An accompanying subscription helps manage interlibrary loan requests, allowing cardholders to request items not owned by Ontario City Library from other libraries across the country.

The Library also offers its users access to e-books and e-audiobooks through a platform called cloudLibrary, which is an OCLC, Inc. product. The Library purchases licenses for e-books and e-audiobooks that library users can check out at no cost. The licensed e-content is compatible with the cloudLibrary platform and application that library users download to their devices to read or listen to the content. The platform is also available on standard personal computers and laptops.

The cataloging and metadata tool offered by OCLC, Inc. is the primary resource used by librarians

worldwide to catalog library materials. No other product offers a comparable level of features and capabilities. Similarly, OCLC, Inc. is the only vendor that provides an interlibrary loan management tool of this scope. Library staff have expertise in using the cataloging and metadata tool as well as the interlibrary loan management tool. In addition, OCLC, Inc. is the only vendor to offer e-books and e-audiobooks compatible with cloudLibrary, the platform Ontario City Library patrons use to access digital content.

Changing vendors would require significant changes to library operations, including retraining Staff, which would incur additional costs. Changing e-book and e-audiobook platforms would also require patrons to download and learn a new application to access e-content. Furthermore, the Library would lose access to its existing e-content on the cloudLibrary platform and would need to purchase new licenses from another vendor, incurring additional costs. For these reasons, Staff recommends the approval of this vendor as a sole-source vendor.

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
GOODS & SERVICES AGREEMENT

This Agreement is made and entered into as of the date of the last signature below (the "Effective Date"), by and between the City of Ontario, a municipal corporation organized under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City") and OCLC, Inc., a corporation with its principal place of business at 6565 Kilgour Place, Dublin, OH 43017 ("Vendor"). City and Vendor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

RECITALS

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

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

TERMS

1. SCOPE OF SERVICES.

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

2. TERM.

2.1 The term of this Agreement shall be from July 1, 2026 to June 30, 2029, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than 2 additional one-year terms. Vendor shall provide all Services within the term of this Agreement, and shall meet any other established schedules and deadlines, including those noted under the schedule of services, attached hereto and incorporated herein by reference (Exhibit "B"). The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the work.

3. FEES AND PAYMENTS.

3.1 Compensation. Vendor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed two hundred and ninety-two thousand, eight hundred and thirty-seven dollars ($292,837) without written approval of the City Council or the City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

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

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

3.4 Automated Clearing House ("ACH") payments. It is the City's policy to pay its consultant invoices via electronic fund transfers through the ACH network. All payments due and owing pursuant to a properly issued and correct invoice or under this Agreement shall be made through electronic ACH transfers, unless otherwise agreed upon by both Parties in writing. Vendor shall provide the City with ACH payment details whereby the City shall initiate the ACH transfers to Vendor in the amount required pursuant to a properly issued and correct invoice or under this Agreement. Each Party shall undertake any and all required actions and execute any required documents, instruments, or agreements required to effectuate the requirements of this Section. In the event the City erroneously deposits funds into an account, or otherwise deposits funds to which Vendor is not entitled: (1) Vendor shall immediately notify the City and the financial institution; (2) Vendor shall not withdraw any of the funds which were erroneously deposited or to which Vendor is not entitled; and (3) Vendor authorizes both the City and financial institution to take all actions necessary to correct the error and return to the City all funds erroneously deposited or to which Vendor is not entitled.

4. RESPONSIBILITIES OF VENDOR.

4.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Vendor or under its supervision. Vendor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Vendor on an independent contractor basis and not as an employee. Vendor retains the right to

perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Vendor shall also not be employees of City and shall at all times be under Vendor's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Vendor or any of Vendor's officers, employees or agents, except as set forth in this Agreement. Vendor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of providing Services under this Agreement and as required by law. Vendor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

4.2 Schedule of Services.

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

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

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

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

4.4 Standard of Care; Performance of Employees. Vendor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Vendor represents and maintains that it is skilled in the professional calling necessary to perform

the Services. Vendor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Vendor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City business license, and that such licenses and approvals shall be maintained throughout the term of this Agreement.

4.5 Reserved.

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

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

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

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

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

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

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

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

5. PROJECT MANAGEMENT

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

5.2 Vendor's Representative. Vendor hereby designates Lucille Windsor or her designee, to act as its representative for the performance of this Agreement ("Vendor's Representative"). Vendor's Representative shall have full authority to represent and act on behalf of the Vendor for all purposes under this Agreement. The Vendor's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for

all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all work required under this Agreement.

6. INSURANCE.

This section is intentionally deleted by Risk Management. No insurance required.

7. INDEMNIFICATION.

7.1 Scope of Indemnity. To the fullest extent permitted by law, Vendor shall defend, indemnify and hold the City, its officials, employees, agents and volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any gross negligence, or willful misconduct of Vendor, its officials, officers, employees, subcontractors, consultants or agents arising out of or in connection with the Services, the Goods or this Agreement, including without limitation the payment of all expert witness fees, attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Vendor's indemnity obligation shall not apply to such loss or damage which is caused by the sole negligence or willful misconduct of the City.

7.2 Additional Indemnity Obligations. Vendor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and volunteers as part of any such claim, suit, action or other proceeding as noted in Section 7.1. Vendor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and volunteers as part of any such claim, suit, action or other proceeding as noted in Section 7.1. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Vendor shall reimburse City and its officials, employees, agents and volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Vendor's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and volunteers.

8. CALIFORNIA LABOR CODE

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

1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Vendor shall therefore comply with such Labor Code sections to the fullest extent required by law.

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

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

9. SAFETY.

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

10. GENERAL PROVISIONS.

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

Vendor:

OCLC, Inc.
ATTN: Legal Department
6565 Kilgour Place
Dublin, OH 43017

City:

City of Ontario
303 East "B" Street
Ontario, CA 91764-4196
Attn: Shawn Thrasher, Library Director

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

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

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

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

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

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

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

10.8 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Vendor include all personnel, employees, agents, and subcontractors of Vendor, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this

Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

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

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

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

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

10.13 Prohibited Interests. Vendor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Vendor, to solicit or secure this Agreement. Further, Vendor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Vendor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Vendor further agrees to file, or shall cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

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

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

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

10.17 Entire Agreement. This Agreement, including OCLC's Framework Agreement (Exhibit "D"), quote #1000130605, and quote # 1000130070, contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties. If any conflicts arise between this Agreement and the Framework Agreement, this Agreement shall control.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE FOR GOODS & SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND OCLC, INC.

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

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
Assistant City Clerk

OCLC, Inc.

By: _____

Its: Chief Legal Office/Vice President_____

Printed Name: Julie Presas_____

By: _____

Its: Chief Operations Officer_____

Printed Name: Drew Bordas_____

EXHIBIT "A"

SCOPE OF SERVICES

OCLC, Inc. is a non-profit library cooperative that produces and maintains WorldCat, an online public access catalog of materials held by libraries worldwide. OCLC, Inc. offers a variety of services to libraries. The Ontario City Library subscribes to the following services:

- Cataloging and Metadata Services
- WorldShare Interlibrary Loan
- cloudLibrary platform subscription
- cloudLink services

Cataloging and Metadata services allows the Library to search the cooperative catalog, download and copy catalog records, and edit catalog records to use within the Ontario City Library local catalog, reducing redundancy and increasing efficiency of library staff. Staff can "copy catalog" records already created by other libraries and the Library of Congress rather than create new catalog records from scratch, saving time and allowing library patrons access to library materials faster and more efficiently. The library can also upload records created "in-house" into the WorldCat catalog. The Ontario City Library also has the ability to add a "holding" in WorldCat to increase the discoverability of its collection to users.

WorldShare Interlibrary Loan utilizes WorldCat to allow subscribing libraries the ability to coordinate and manage interlibrary loan services within its platform. The library can leverage its resources by borrowing materials from other libraries to fulfill patron requests, saving money on purchasing materials requested by individual patrons that do not have a wide audience. WorldShare ILL allows the library to search for titles, borrow titles from other libraries, and track shipments.

The cloudLibrary platform provides library users with a mechanism for searching for, borrowing, and requesting digital ebooks and eaudiobooks. The platform works on PCs and has a mobile application. Library users authenticate their accounts using their library card number. The platform also allows users to manage library holds and checkouts of physical materials, and provides a digital version of users library cards. The cloudLink services subscription provides access to materials held by other libraries in the local consortium.

The Library will purchase digital ebook and eaudiobook licenses that integrate into the cloudLibrary platform. Titles are licensed to the Library through agreements OCLC, Inc. negotiates with publishers. The Library's purchases will not exceed $90,000 per fiscal year, or $270,000 during this three-year agreement.

EXHIBIT "B"

SCHEDULE OF SERVICES

Subscription for services as outlined on Schedule "A" shall begin on July 1, 2026 and end on June 30, 2029. The Library currently subscribes to the services so integration will be seamless and continue as usual.

EXHIBIT "C"
COMPENSATION

Total amount not to exceed $292,837.

Service	FY27	FY28	FY29
Cataloging/Metadata	$21,532.93	$22,340.41	$23,178.18
WorldShare ILL	$705.99	$716.58	$727.33
cloudLibrary platform	$3,276.00	$3,407.04	$3,543.32
cloudLink	$1,092.00	$1,135.68	$1,181.11
Ebooks/Eaudiobooks	NTE $70,000	NTE $70,000	NTE $70,000
Total per FY	**NTE $96,606.92**	**NTE $97,599.71**	**NTE $98,629.94**
Term	7/1/26-6/30/27	7/1/27-6/30/28	7/1/28-6/30/29

OCLC

Proposal

OCLC Symbol	Currency
ONT	USD
Customer ID	Expires
37098	3/09/2026

Quote # 1000130070
12/09/2025

Ontario City Library
215 E C St
Ontario CA 91764
United States

Item Code	Item	Amount
3000030	Cataloging and Metadata Subscription	$21,532.93
3000065	WorldShare ILL	$705.99
	Total	$22,238.92

Notes

The renewal pricing listed above is FY27 pricing for the subscription term of 7/1/2026 to 6/30/2027.

For FY28-FY29, the guaranteed price increases will be as follows:
Cataloging and Metadata: 3.75% over the previous year
WorldShare ILL: 1.5% over the previous year

By signing this Order, the Customer agrees to a three-year subscription term. This pricing is contingent upon commitment to the full term. Early termination is not permitted, except as provided under the terms of OCLC's Framework Agreement.

This quote estimates that years 4 and 5 (FY30 and FY31) will be no more than a 5% increase to your existing OCLC subscription fees.

Signature **Printed Name** **Date**

For questions, please contact OCLC representative: Lucille Windsor at windsorl@oclc.org.

This transaction is subject to the relevant OCLC Framework Agreement ("FA") and the Schedules related to each product listed on this notice, found at: http://oc.lc/service-agreements, unless a signed agreement governing the transaction has been entered into by the parties.

OCLC • 6565 Kilgour Pl Dublin OH 43017-3315 United States • +1 800 848 5878 • +1 614 764 6000 www.oclc.org

OCLC

Proposal

OCLC Symbol	Currency
ONT	USD
Customer ID	**Expires**
37098	4/12/2026

Quote # 1000130605
1/12/2026

Ontario City Library
215 E C St
Ontario CA 91764
United States

Item Code	Item	Amount
3000342	CloudLibrary Annual Subscription Sub Dates: 07/01/2026 - 6/30/2027	$3,276.00
3000366	CloudLibrary cloudLink Fee Sub Dates: 07/01/2026 - 06/30/2027	$1,092.00
3000342	CloudLibrary Annual Subscription Sub Dates: 07/01/2027 - 6/30/2028	$3,407.04
3000366	CloudLibrary cloudLink Fee Sub Dates: 07/01/2027 - 06/30/2028	$1,135.68
3000342	CloudLibrary Annual Subscription Sub Dates: 07/01/2028 - 6/30/2029	$3,543.32
3000366	CloudLibrary cloudLink Fee Sub Dates: 07/01/2028 - 06/30/2029	$1,181.11
	Total	$13,635.15

Notes

The renewal pricing listed above is FY26- FY29 pricing for the subscription term of 7/1/2026 to 6/30/2029. By signing this Order, the Customer agrees to a three-year subscription term. This pricing is contingent upon commitment to the full term. Early termination is not permitted, except as provided under the terms of OCLC's Framework Agreement.

This quote estimates that years 4 and 5 (FY30 and FY31) will be no more than a 5% increase to your existing OCLC subscription fees.

Signature **Printed Name** **Date**

For questions, please contact OCLC representative: Amber Laude at laudea@oclc.org.

This transaction is subject to the relevant OCLC Framework Agreement ("FA") and the Schedules related to each product listed on this notice, found at: http://oc.lc/service-agreements, unless a signed agreement governing the transaction has been entered into by the parties.

OCLC • 6565 Kilgour Pl Dublin OH 43017-3315 United States • +1 800 848 5878 • +1 614 764 6000 www.oclc.org



Framework Agreement

INSTITUTION NAME ("Institution")	City of Ontario
LIBRARY NAME (if different from Institution)	Ontario City Library
OCLC SYMBOL (if any)	ONT
STREET ADDRESS	215 East C Street
CITY, STATE, ZIP/POSTAL CODE, COUNTRY	Ontario, CA 91764, USA
CONTACT PERSON, JOB TITLE	Kelly Zackmann, Library Services Manager
TELEPHONE NUMBER, FAX, E-MAIL ADDRESS	(909) 395-2239; kzackmann@ontarioca.gov

BILLING ADDRESS (IF DIFFERENT FROM ABOVE)

STREET ADDRESS	303 East B Street
CITY, STATE, ZIP/POSTAL CODE, COUNTRY	Ontario, CA 91764 USA
CONTACT PERSON, JOB TITLE	Kelly Zackmann, Library Services Manager
TELEPHONE NUMBER, FAX, E-MAIL ADDRESS	LibraryBilling@ontarioca.gov

Is Institution considered exempt from tax in the country in which it is located? Yes No

Signatures follow on next page

SIGNATURES

By signing below, Institution: (1) acknowledges that Institution has read and agrees that the terms of this Agreement, as defined herein, shall become effective upon full execution of the Agreement ("Effective Date"); (2) warrants that it has made no unilateral changes to the terms of the Agreement since last received from OCLC; (3) orders access to the Products and Services as specified in this Agreement; and (4) warrants that it has the authority to enter into this Agreement.

Notice Adress for Institution

Name: Ontario City Library

Email: librarybilling@ontarioca.gov

Notice Address for OCLC, Inc.

Name: Lucille Windsor

Email: windsorl@oclc.org

By marking the box associated with the Products and Services to which this Agreement applies below, Institution hereby subscribes to those Products and Services selected, and agrees to the associated schedule set forth at the links below. Institution may also subscribe to Products and Services by initialing an attached schedule for that Product or Service. Those schedules located at the links associated with the selected Products or Services in the table below and/or any schedules attached hereto are hereby incorporated into this Agreement (the "Schedule" or "Schedules").

Products and Services Provided	Associated Schedule
☐ WorldShare® Management Services	Schedule 1 - WMS https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-01-WorldShare-Management-Services-EN-US.pdf
☐ WMS Sandbox	Schedule 1.A - WMS Sandbox https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-01A-WMS-Sandbox-EN-US.pdf
✓ WorldShare Metadata / OCLC Cataloging	Schedule 2 - WorldShare Metadata / OCLC Cataloging https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-02-WorldShare-Metadata-OCLC-Cataloging-EN-US.pdf
☐ Group Catalog	Schedule 2.A - Group Catalog https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-02A-Group-Catalog-EN-US.pdf
☐ OCLC Small Library Edition	Schedule 2.B – OCLC Small Library Edition https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-02B-OCLC-Small-Library-Edition-EN-US.pdf
☐ WorldCat® Discovery Services	Schedule 3 - WorldCat Discovery Services https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-03-WorldCat-Discovery-Services-EN-US.pdf
☐ WorldCat® Discovery Services/FirstSearch	Schedule 3.A - WorldCat Discovery Services/FirstSearch https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-03A-WorldCat-Discovery-Services-FirstSearch-EN-US.pdf
☐ WorldCat® Visibility	Schedule 3.B – WorldCat Visibility https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-03B-WorldCat-Visibility-EN-US.pdf
☐ WorldShare License Manager	Schedule 4 - WorldShare License Manager https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-04-WorldShare-License-Manager-EN-US.pdf
☐ WorldShare Collection Evaluation	Schedule 5 - WorldShare Collection Evaluation https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-05-WorldShare-Collection-Evaluation-EN-US.pdf
☐ CONTENTdm®	Schedule 6 - CONTENTdm https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-06-CONTENTdm-EN-US.pdf
☐ EZProxy®	Schedule 7 - EZProxy https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-07-EZproxy-EN-US.pdf
☐ WebDewey®	Schedule 8 - WebDewey https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-08-WebDewey-EN-US.pdf
☐ OCLC WebJunction®	Schedule 9 - WebJunction https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-09-WebJunction-EN-US.pdf
✓ WorldShare Interlibrary Loan Services ("ILL")	Schedule 10 - WorldShare Interlibrary Loan Services ("ILL") https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-10-WorldShare-ILL-EN-US.pdf
☐ ILLiad	Schedule 10.A - ILLiad https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-10A-ILLiad-EN-US.pdf
☐ Tipasa®	Schedule 10.B - Tipasa https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-10B-Tipasa-EN-US.pdf
☐ WorldCat.org	Schedule 11 - WorldCat.org https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-11-WorldCat.org-EN-US.pdf
☐ OCLC Wise ("Wise")	Schedule 14 - Wise https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-14-Wise-EN-US.pdf
☐ CapiraMobile™	Schedule 15 - CapiraMobile https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-15-CapiraMobile-EN-US.pdf
☐ MuseumKey	Schedule 18 - MuseumKey https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-18-MuseumKey-EN-US.pdf
☐ LendingKey	Schedule 19 - LendingKey https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-19-LendingKey-EN-US.pdf
☐ Talis	Schedule 20 – Talis https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-20-Talis-Aspire-EN-US.pdf
☐ Choreo Insights	Schedule 21 – Choreo Insights https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-21-Choreo-Insights-EN-US.pdf
☐ OCLC Meridian	Schedule 22 – OCLC Meridian https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-22-OCLC-Meridian-EN-US.pdf
✓ cloudLibrary	Schedule 23 – cloudLibrary https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-23-cloudLibrary-EN-US.pdf
☐ GreenGlass®	Schedule 24 – GreenGlass https://policies.oclc.org/content/dam/legal/schedules/en_us/Schedule-23-cloudLibrary-EN-US.pdf

Section 2 Scope & Construction

This "Agreement", including the Framework Agreement and the Schedule(s) selected in Section 1, establishes the general terms and conditions for the provision of Products and Services. In case of a conflict in terms between the Framework Agreement and any applicable Schedule, the terms and conditions of the Schedule shall prevail. If Institution accepts or executes multiple agreements with OCLC for the same Products and/or Services, the order of precedence for the control of terms shall be (1) a negotiated Framework Agreement representing unique terms between OCLC and Institution, if one exists; (2) the most recently executed or accepted agreement.

Section 3 Definitions

In this Framework Agreement, except as otherwise provided, the following words and expressions shall have the meanings defined below:

3.1 **Bibliographic Data** means all the bibliographic data (including subject data, such as local key words and subject headings), descriptive metadata, relationship metadata and other metadata of the type stored in WorldCat.

3.2 **Holdings Data** means all the ownership and license data in relation to Institution's collection (including electronic resources).

3.3 **Hosted Services** means the hosted services made available by OCLC which Institution may access pursuant to this Agreement. The Hosted Services are described in detail in the applicable Product Descriptions but do not include services (including API's and the like) provided by third parties.

3.4 **Institution Data** means (i) the Holdings Data in relation to Institution's collection; (ii) all the data that forms part of the library process or the internal operations of the Institution, such as circulation, patron, and acquisition data; and (iii) all other data and content that is produced, sent or reproduced through the Services by the Institution or made available to OCLC in connection with the Services.

3.5 **Internal Data** means Institution Data intended exclusively for internal use by the Institution, subject to the rights granted to OCLC herein

3.6 **Product Descriptions** means the descriptions of the Products and Hosted Services as made available at www.oclc.org and as updated from time to time by OCLC.

3.7 **Products** mean the OCLC software, hardware, and other products licensed to Institution pursuant to this Agreement. The Products are described in detail in the applicable Product Descriptions but do not include products provided by third parties.

3.8 **Professional Services** means the services that OCLC provides to Institution under this Agreement in connection with the Products or Hosted Services, such as data migration, configuration, consultancy, support, and training.

3.9 **Services** mean the Hosted Services and Professional Services.

3.10 **Shared Data** means the Institution Data made available by Institution to the public or to third parties selected by the Institution (such as other participants or users) or that by its nature is intended for use outside the Institution's organization, such as Bibliographic Data, Holdings Data, and other data not considered Internal Data.

3.11 **Systems** mean the facilities, server(s), equipment, operating software, and connectivity used to provide the Services.

3.12 **WorldCat** means the databases of Bibliographic Data, Holdings Data, and related files maintained by OCLC.

Section 4 Products and Services

4.1 **General**. OCLC will provide Institution those Products and Services to which it subscribes, in accordance with this Agreement and as described in the version of each Product or Service's respective Product Description active on the Effective Date. Further information can be found at https://www.oclc.org/en/services.html. Institution shall provide OCLC with the assistance and information OCLC reasonably needs to perform the Services properly or where OCLC otherwise reasonably requests. OCLC shall not be liable for any failure to perform its obligations arising from Institution's failure to provide such assistance or information.

4.2 **Modifications**. OCLC may change or modify a Product or Service from time to time in its discretion. OCLC shall notify Institution should there be any material changes to the respective Product or Service by such means as reasonably determined by OCLC. Any new Product or Service functionality made available by OCLC shall be subject to this Agreement.

4.3 **Support**. Support services will be provided in accordance with the support service description set forth in the relevant Schedule. Further information is available at http://www.oclc.org/support/home.en.html.

4.4 **Limitations**. Institution shall only use the Products and Services in accordance with the terms of this Agreement and for the purposes specified in the Product Descriptions.

Section 5 Ownership and Licenses

5.1 **Ownership**

a) **OCLC Intellectual Property**. OCLC and/or its licensors or suppliers are the exclusive owners of and retain all right, title, and interest (including all copyrights, trademarks, patents, and any other proprietary rights) to the Products, Services, WorldCat, and all other materials produced or provided by OCLC. All rights not expressly granted by OCLC are reserved.

b) **Institution Data.** Institution, and/or its suppliers and affiliates, retains all right, title and interest (including, without

limitation, all proprietary rights) to Institution Data, except for rights granted to OCLC and its affiliates under this Agreement. Institution is solely responsible for the accuracy, completeness, and legality of Institution Data. Institution is responsible for obtaining all permission and other rights necessary to provide Institution Data to OCLC. Institution will not provide OCLC with Institution Data that Institution does not have the right to provide for use in connection with the Products or Services.

5.2 Licenses

a) **Products and Services.** Subject to the terms of this Agreement and the applicable Schedule(s), Institution's license to use the Products and Services identified in the executed Schedules may be pursuant to a hosted license (for Hosted Services) or a non-hosted license (for Products). For Products paid for by Institution, OCLC grants Institution a nonexclusive, nontransferable license to install and use the Product solely for the noncommercial purposes described in the Product Description and the applicable Schedule. For Hosted Services subscribed to by Institution, OCLC will provide access to the Hosted Service, and if applicable a license to install and use any local software components of the Hosted Service, all solely for the noncommercial purposes described in the Product Description and the applicable Schedule.

b) **Institution Data.** Institution grants OCLC a global, non-exclusive, royalty-free, transferable and sub-licensable right to use the Internal Data to the extent necessary for the provision of the Products and Services. Institution grants OCLC, OCLC participants, non-participant users, and OCLC designees a global, perpetual, non-exclusive, royalty-free, transferable, and sub-licensable right to host, reproduce, transmit, store, publish, distribute, modify, create derivative works from, and otherwise use Shared Data. Institution Data shall be supplied to OCLC in a format compatible for use with the Products and Services.

Section 6 Term and Termination

6.1 **Term**. This Agreement shall commence on the Effective Date and shall remain in full force and effect for the initial term specified in a pricing document, upon the expiration of which, the Agreement may be renewed in accordance with the terms of the Agreement, or if no such term is specified, the duration that Institution has access to the applicable Products or Services (the "Term"), subject to the earlier termination of this Agreement pursuant to Section 6.2 below.

6.2 **Termination**. This Agreement or individual Schedules may be terminated in one of the following ways:

a) By either party, effective at the end of the initial subscription period, which shall be as set forth in the agreed upon pricing document, or any renewal period, as which shall be as set forth in any renewal notice issued pursuant to Section 7.2, by providing the other party with at least 30 days' prior written notice of its desire to not renew a Product or Service;

b) By either party if the other party becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for all or a substantial part of its property, is subject to any proceeding under any bankruptcy or insolvency law, or has wound up or liquidated, voluntarily or otherwise;

c) By the non-breaching party if a party commits a material breach of its obligations under this Agreement and has not cured such breach or failure within 30 days of receiving written notice from the non-breaching party. OCLC reserves the right, however, to immediately suspend Institution's access to the OCLC Services in the event of Institution's material breach until such time as the material breach is cured; or

d) As otherwise explicitly provided in this Agreement.

6.3 **Effect of Termination**. Termination of this Agreement shall terminate all Schedules, termination of a Schedule will not terminate the Agreement or any other Schedule. Upon termination of this Agreement or any Schedule, the rights granted by OCLC in the applicable Schedule or Agreement are terminated unless otherwise provided in such Schedule. After termination and upon request, OCLC will promptly return or destroy all applicable Institution Data, except however, OCLC may retain Institution Data in back-up files provided that the confidentiality and security obligations contained herein shall apply. OCLC will provide Institution access to Institution Data for 90 days after the effective date of termination, after which, OCLC shall have no obligation to maintain any Institution Data.

Section 7 Fees and Payment Terms

7.1 **Fees.** Institution shall pay the applicable charges based on their agreed upon pricing document. In the absence of an agreed upon pricing document, (i) OCLC's prevailing price for the Products and Services shall govern; and (ii) payments shall be made to OCLC annually; such annual payments will be billed upon the beginning of the applicable subscription period an shall be paid according to the terms stated on the invoice. Fees are exclusive of any taxes and shall be paid in the currency and to the address stated on the invoice. Institution shall pay such tax to OCLC or other entity, as appropriate. Institutions exempt from taxation shall supply a valid exemption certificate upon request. Institution's failure to fully pay any fees or taxes within 60 days after the applicable due date will be deemed a material breach of this Agreement, justifying OCLC's suspension of Products and Services.

7.2 **Price Changes**. OCLC reserves the right to change any price/fee, provided that OCLC provides Institution written notice of the change at least 60 days prior to the date the change is to become effective. Notwithstanding the foregoing, OCLC will not change any prices/fees contained in an agreed to price quote or renewal notice prior to the expiration of the quote or renewal notice.

7.3 **Non-refundable**. Institution will not be entitled to a refund of any implementation or pre-paid fees under this Agreement unless (i) OCLC terminates the Agreement or a Schedule pursuant to Section 6.2 (a), or (ii) Institution terminates the

Agreement or a Schedule pursuant to Section 6.2 (c); in which event, OCLC will refund that portion of fees pre-paid by Institution corresponding to the period after termination.

7.4 **Proprietary Information**. Institution agrees that OCLC's pricing information is proprietary to OCLC, and agrees to maintain confidentiality of such proprietary information, as well as any other information which OCLC communicates in writing to be proprietary or confidential, for 3 years from receipt by Institution. It shall not be a violation of this section to disclose information as required by applicable law (including public records acts), valid court order, or legal process.

Section 8 Disclaimer

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE PRODUCTS AND SERVICES ARE PROVIDED "AS IS" AND OCLC AND ITS THIRD PARTY SUPPLIERS DO NOT MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE PERFORMANCE OF THE PRODUCTS OR SERVICES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR ANY IMPLIED WARRANTY ARISING BY USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE. OCLC MAKES NO REPRESENTATIONS OR WARRANTIES THAT THE PRODUCTS AND SERVICES WILL ALWAYS BE ACCESSIBLE, FREE OF HARMFUL COMPONENTS, ACCURATE OR ERROR-FREE. INSTITUTION MAY INTEGRATE OCLC'S PRODUCTS AND SERVICES WITH THIRD PARTY PRODUCTS AND SERVICES. HOWEVER, IN NO EVENT WILL OCLC BE LIABLE FOR ANY LOSS ARISING OUT OF FAILURE OF SUCH THIRD-PARTY PRODUCTS OR SERVICES OR OTHER EVENTS OUTSIDE OF OCLC'S REASONABLE CONTROL. ADDITIONALLY, UNDER NO CIRCUMSTANCES SHALL OCLC BE LIABLE FOR ANY LOSS ARISING OUT OF A DATA OR A SECURITY BREACH ORIGINATING FROM SUCH THIRD PARTY SOFTWARE. THIS SECTION WILL NOT APPLY TO DAMAGES THAT CANNOT BE EXCLUDED BY LAW (IN WHICH EVENT THE LIABILITY SHALL BE LIMITED TO THE FULLEST EXTENT PERMITTED).

Section 9 Privacy and Security

9.1 **Data Security**. OCLC has implemented and shall maintain commercially appropriate, reasonable and customary controls to ensure the security, confidentiality, and protection against unauthorized access to, use, or disclosure of Internal Data. Institution shall obtain and maintain all necessary consents from all users for OCLC to provide the Products and Services and for Institution's and users' access, monitoring, use, disclosure, and transfer of Internal Data.

9.2 **Audit**. OCLC will (i) implement administrative, physical, and technical safeguards in accordance with accepted industry practices including conducting audits in accordance with the ISO/IEC 27001 standard (or subsequent comparable standard) and (ii) as reasonably requested by Institution, provide Institution with a copy of the certificate of registration for such standard.

9.3 **Nondisclosure of Internal Data**. OCLC shall hold all Internal Data in strict confidence and with the same standard of care it uses to protect its own information of a similar nature and shall not use Internal Data for any purpose other than to provide the Service or as may be authorized in writing by Institution. OCLC shall not disclose Internal Data to any other party except: (a) to OCLC employees, agents, subcontractors and service providers, to whom Internal Data needs to be disclosed for the purpose of providing the Service; (b) as required by law, or to respond to duly authorized information requests of police and governmental authorities or to comply with any facially valid subpoena or court order; (c) to protect the rights or property of OCLC or OCLC customers, including the enforcement of OCLC agreements or policies governing Institution's use of the Service; (d) to involve and cooperate with law enforcement or the appropriate legal authorities in investigations, and to protect Systems and OCLC's customers, or (e) as authorized by Institution in writing.

9.4 **Prohibitions**. Institution expressly warrants that it will not enter, submit, transfer, or store in the Service any of the following types of information: Social Security Numbers (or other national identification numbers), financial account numbers, credit card or debit card numbers. OCLC will have no liability, and Institution expressly releases OCLC from any liability, associated with the loss, theft, disclosure or misuse of such information.

9.5 **Unauthorized Disclosures**. OCLC will promptly notify Institution in the event of a verified breach of non-public personal data unless such breach is unlikely to result in material harm to Institution or the data subject, or as otherwise provided by law. Institution agrees that it shall be Institution's sole responsibility to determine whether a breach is subject to state, federal or national breach notification laws and requires breach notification ("Breach Notification"). In the event that Institution determines that a breach requires Breach Notification, OCLC agrees that it will reasonably cooperate with Institution in regards to Institution's Breach Notification obligations as specified in the applicable law, including Institution's investigation, enforcement, monitoring, document preparation, Breach Notification requirements, and reporting. Institution shall be solely responsible for notifying all individuals, regulators, or other organizations subject to Breach Notification, however OCLC reserves the right to first review all notifications before they are sent.

9.6 **Data Processing Agreement.** To the extent Personal Data from the European Economic Area (EEA), the United Kingdom and Switzerland are processed by OCLC and/or its affiliates, the following shall apply: The terms of the Data Processing Agreement ("DPA") at https://policies.oclc.org/en/privacy/data-privacy-agreements.html are hereby incorporated by reference and shall apply if and to the extent that Institution Data includes Personal Data, as defined in the DPA. To the extent Personal Data from the European Economic Area (EEA), the United Kingdom and Switzerland are processed by OCLC and/or its affiliates, the Standard Contractual Clauses shall apply, as further set forth in and defined by the DPA.

For the purposes of the Standard Contractual Clauses, Institution and its applicable Affiliates, as defined by the DPA, are each the data exporter, and Institution's acceptance of this Agreement shall be treated as its execution of the Standard Contractual Clauses and Appendices.

Section 10 Limitation of Liability

OCLC WILL HAVE NO LIABILITY FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES FOR ANY MATTER ARISING FROM OR RELATING TO THIS AGREEMENT OR THE PRODUCTS AND SERVICES, INCLUDING BUT NOT LIMITED TO ANY UNAUTHORIZED ACCESS TO, OR ALTERATION, THEFT, LOSS, INACCURACY, OR DESTRUCTION OF INFORMATION OR DATA COLLECTED, STORED, DISTRIBUTED, OR MADE AVAILABLE VIA THE PRODUCTS AND SERVICES, INSTITUTION'S USE OR INABILITY TO USE THE PRODUCTS AND SERVICES, ANY CHANGES TO OR INACCESSIBILITY OF THE PRODUCTS AND SERVICES, ANY DELAY OR FAILURE OF THE SERVICES, OR FOR LOST PROFITS, OR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, EVEN IF OCLC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL OCLC'S LIABILITY TO INSTITUTION FOR ANY REASON AND UPON ANY CAUSE OF ACTION EXCEED TWO TIMES (2x) THE AMOUNT INSTITUTION ACTUALLY PAID OCLC FOR THE INDIVIDUAL IMPLICATED OCLC PRODUCTS OR SERVICES COVERED UNDER THIS AGREEMENT OVER THE 12 MONTHS PRIOR TO WHICH SUCH CLAIM AROSE. THIS LIMITATION APPLIES TO ALL CAUSES OF ACTION IN THE AGGREGATE, INCLUDING, BUT NOT LIMITED TO, BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATIONS, AND OTHER TORTS. FEES UNDER THIS AGREEMENT ARE BASED UPON THIS ALLOCATION OF RISK. THIS SECTION WILL NOT APPLY TO DAMAGES THAT CANNOT BE LIMITED OR EXCLUDED BY LAW (IN WHICH EVENT THE LIABILITY SHALL BE LIMITED TO THE FULLEST EXTENT PERMITTED).

Section 11 Use of Products and Services

11.1 General. Institution agrees not to use, and not to allow third parties including users to use the Products or Services: (a) to distribute viruses, worms, Trojan horses, corrupted files, or other items of a destructive or deceptive nature; (b) to engage in or promote any unlawful, invasive, infringing, defamatory, or fraudulent activity; (c) to violate, or encourage the violation of, the legal rights of others; (d) to interfere with the use of a Product or Service, or the equipment used to provide Products or Services; (e) to use the Products or Services, or any part thereof, in a manner that violates the terms of service of any other Products or Services; (f) to generate, distribute, publish or facilitate unsolicited mass email, promotions, advertisings or other solicitations ("spam"); (g) to alter, reverse-engineer, interfere with, circumvent, copy, or create a derivative work of, any aspect of the Product or Service (except with the express, written consent of OCLC or applicable law specifically prohibits this restriction); (h) to omit, obscure or hide from any user any notice of a limitation of warranty, disclaimer, copyright, patent, trademark, trade secret or usage limitation or any splash screen or any other terms or conditions intended to be displayed to a user by OCLC or OCLC supplier; or (i) to post, send, or make available software or technical information in violation of applicable export controls laws. Institution agrees that OCLC is authorized to monitor communications into and out of the System to prevent the introduction of viruses or other hostile code, to prevent intrusions, provide support, and to otherwise enforce the terms of this Agreement. Institution agrees to reimburse OCLC for all reasonable and verifiable costs associated with OCLC's compliance with governmental requests relating to Institution or Institution Data, including, but not limited to, warrants, subpoenas, and judicial orders. Notwithstanding the foregoing and to the extent permitted by law and law enforcement, OCLC will make reasonable efforts to notify Institution when a disclosure of Institution Data has or is to be made.

11.2 Credentials. Institution shall exercise all commercially reasonable efforts to prevent unauthorized use of the Products and Services and is solely responsible for any and all use, including unauthorized use, of the Products and Services initiated using Institution's API keys and/or credentials. Institution shall immediately notify OCLC of a suspected or actual loss, theft or disclosure of any credentials and of any unauthorized use of a Product or Service. Should OCLC become aware of unauthorized use of Institution's API keys or credentials or unauthorized access to a Product or Service, OCLC may notify Institution and deactivate affected credentials. OCLC will provide Institution with administrative credentials to access and use the applicable Product or Service. Institution is responsible for authorizing user access to the Products or Services, assigning privileges, and creating, maintaining, and terminating accounts.

11.3 Enforcement by OCLC. OCLC reserves the right to: (i) investigate any violation of this Section or misuse of Products or Services; (ii) enforce this Section; and (iii) remove or disable access, screen, or edit any Institution Data that violates these provisions. Without limitation, OCLC also reserves the right to report any activity (including the disclosure of appropriate Institution Data) that it suspects violates any law or regulation to appropriate law enforcement, regulators, or other appropriate third parties. OCLC may cooperate with appropriate law enforcement by providing network and systems information related to allegedly illegal or harmful content. VIOLATION OF THIS SECTION MAY RESULT IN THE SUSPENSION OF OCLC SERVICES AND SUCH OTHER ACTION AS OCLC REASONABLY DEEMS APPROPRIATE. REPEATED OR WILLFUL VIOLATION OF THIS SECTION MAY, IN OCLC'S SOLE DISCRETION RESULT IN THE TERMINATION OF THE AGREEMENT, ANY SCHEDULE, OR OCLC SERVICE.

Section 12 Warranties

OCLC warrants that any Professional Services will be performed in a professional and workman-like manner and that, when operated in accordance with the Product Description, the Products and Hosted Services will be capable of performing substantially in accordance with the functional specifications set forth in such Product Description. If any Products or Services fail to comply with the warranty set forth above, OCLC will make reasonable efforts to correct the noncompliance provided that OCLC is given notice of the noncompliance within 30 days and OCLC is able to reproduce the noncompliance. If OCLC is unable to correct the noncompliance, Institution may terminate the Schedule for the relevant Product or Hosted Service in accordance with Section 6.2(c) and, as its sole remedy, will be entitled to a refund of an equitable portion of fees paid for the relevant Product or Hosted Service after such noncompliance was reported. OCLC and Institution each warrant that its entry into this Agreement does not violate any other agreement to which it is a party, and that its performance under this Agreement will be in conformance with all applicable laws and government rules and regulations. Institution warrants that it possesses all rights necessary to enter into this Agreement and grants the rights described in this Agreement such that OCLC will not infringe upon or otherwise violate any intellectual property rights or other rights of a third party or violate any laws by exercising the rights and licenses granted under this Agreement. To the extent permitted by law, Institution hereby indemnifies OCLC from any such claims in this respect.

Section 13 General

13.1 OCLC Membership. As a subscriber to OCLC's Services and Products as described in this Agreement, Institution – and each library owned or operated by Institution – may be eligible for membership in the OCLC cooperative. Membership qualifications for the OCLC cooperative can be found at https://www.oclc.org/content/dam/oclc/membership/membership-qualifying-subscriptions.pdf. If Institution's subscription qualifies it as a member, Institution permits OCLC Member Relations to contact its library staff directly in separate communications, to provide new member information regarding voting and updates, Member groups, councils, and events, for OCLC Global and Regional Councils specific to Institution's region. As a member, Institution agrees to abide by the requirements and policies applicable to OCLC members.

13.2 No Assignment. Institution may not assign, without the prior written consent of OCLC, any rights, duties, or obligations under this Agreement to any person or entity, in whole or in part.

13.3 Independent Contractors. The relationship of the parties is that of independent contractors, and no agency, employment, partnership, joint venture, or any other relationship is created by this Agreement.

13.4 Force Majeure. Neither party shall be responsible for losses or damages to the other occasioned by delays in the performance or the non-performance of any of said party's obligations (other than the obligation to make payments when due) when caused by acts of God, acts of the other party or any other cause beyond the control of said party and without its fault or negligence.

13.5 Non-Waiver. A failure or delay in enforcing an obligation under this Agreement does not prevent enforcement of the provision at a later date. A waiver of a breach of one obligation does not amount to a waiver of any other obligation, and it will not prevent a party from subsequently requiring compliance with that obligation.

13.6 Severability. If any provisions of this Agreement shall be found by any court of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the other provisions of this Agreement.

13.7 Entire Agreement. This Agreement and any Schedules constitute the complete agreement between the parties and supersedes and replaces all prior agreements, oral and written, between the parties relating to the subject matter of this Agreement. If Institution's accounting representatives require the use of a purchase order to facilitate payment for Products and Services contemplated in this Agreement, Institution agrees any and all terms and conditions contained in such purchase order are null and void, and do not apply to this Agreement. OCLC will provide invoices in response to purchase orders solely to facilitate payment and for the convenience of Institution; in no case, however, will OCLC's issuance of an invoice constitute an acceptance of terms contained in a purchase order. OCLC provides Services and Products to Institution solely pursuant to this Agreement; OCLC shall never provide Services or Products pursuant to, or as a result of, a purchase order. Except as otherwise provided herein, this Agreement may not be amended or supplemented except in a writing duly executed by both parties.

13.8 Notice. Except as stated elsewhere in the Agreement all notices shall be in writing and shall be deemed sufficient if received by a party via e-mail to the e-mail address for such party set forth in Section 1 , or by such other means as has been agreed by the parties in writing.

13.9 Counterparts and Signatures. This Agreement may be executed in counterparts and/or via facsimile transmission or electronic copy, any one or form of which will be deemed to constitute an original, but all of which will constitute one instrument. Any signature (including any electronic signature, symbol or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record) hereto or to any other contract, record, certificate, or other document related to this Agreement, and any contract formation or record-keeping through electronic means shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based recordkeeping system.

Section 14 Special Terms for Group Orders Only

Where a lead institution in a consortium (the "Group Administrator") is ordering on behalf of itself and other consortium members, this Section applies:

14.1 Ordering. Group Administrator may order the Service on behalf of consortium members by completing the relevant portions of the agreed upon pricing or order document and agreeing to this Agreement. Group Administrator also orders and allocates authorizations and passwords for the Service on behalf of consortium members listed on the agreed upon pricing or order document. Group Administrator is not a buyer of the Service for resale. Any material change in group membership or group participation may result in commensurate changes in the fees for the applicable Service.

14.2 Consortium Member's Agreement. Group Administrator warrants, as the consortium agent, that it is authorized to and hereby binds consortium members to this Agreement and shall indemnify OCLC from all loss, expense and damage arising from a breach of such warranty. Group Administrator shall provide each consortium member with a copy of this Agreement prior to Product and Service activation. Each order for consortium members shall constitute a binding contract between OCLC and the consortium member.

14.3 Payment by Group Administrator. Group Administrator shall be liable for paying to OCLC all charges and applicable taxes for consortium members for the Products and Services in accordance with the terms of this Agreement.

14.4 Non-exclusivity. Nothing herein shall limit OCLC's right to distribute any Products or Services independent of Group Administrator.

SCHEDULE 2
WorldShare® Metadata/OCLC Cataloging

Section 1 Description

OCLC's cataloging and metadata services give Institution the tools needed to effectively manage the metadata for Institution's collection.

Section 2 Definitions

2.1 "Guidelines" means the "Guidelines for Contributions to WorldCat" as modified from time to time. A current copy of the Guidelines is available at: http://www.oclc.org/worldcat/community/guidelines.en.html

2.2 "Policy" means the "WorldCat Rights and Responsibilities for the OCLC Cooperative" as modified from time to time as a result of the policy review process described therein. A current copy of the Policy is available at: http://www.oclc.org/en/worldcat/cooperative-quality/policy.html.

2.3 "Principles" means the WorldCat Principles of Cooperation as modified from time to time. A current copy of the Principles is available at: http://www.oclc.org/worldcat/community/principles.en.html

2.4 "WorldCat® Data" is defined as set forth in the Policy.

2.5 All capitalized terms not defined herein shall have the same meaning ascribed to them in the Master Services Agreement.

SECTION 3 Responsibilities of Institution

3.1 Institution shall create bibliographic records and related data for entering information into WorldCat consistent with the Guidelines maintained by OCLC and its advisory groups.

3.2 Institution using the Systems for cataloging agrees to abide by the Principles and the Guidelines.

3.3 Institution agrees that the use and transfer by the Institution of WorldCat Data is subject to the Policy.

3.4 If, during the term hereof, an Institution informs OCLC that bibliographic records it furnishes to OCLC for addition to WorldCat will be subject to usage or transfer restrictions beyond or in addition to those applicable under this Schedule, and if OCLC nevertheless elects to accept such records for addition to WorldCat, OCLC will so notify Institution, after which Institution's rights to access, use and transfer such records will be subject to said usage and transfer restrictions.

SCHEDULE 10
WorldShare® Interlibrary Loan Services (ILL)

Section 1 Description

WorldShare Interlibrary Loan is a resource sharing network to lend and borrow resources which allows users to quickly obtain global library content located in Institution's collections and the collections of other ILL libraries around the world. WorldShare Interlibrary Loan simplifies tasks such as sharing of e-resources, automating request and entry processes, managing ILL fees, analyzing borrowing and lending patterns, and delivering documents easily and securely through Article Exchange.

Section 2 Definitions

All capitalized terms not defined herein shall have the same meaning ascribed to them in the Framework Agreement.

Section 3 Terms of Use

Subject to this Schedule and the FA, OCLC shall provide Institution with the Products and Services as specified in the agreed upon pricing document.

Section 4 Service Level Agreement

4.1 **Scope.** This Service Level Agreement sets forth the service level and performance objectives of OCLC in providing the Hosted Services (as listed in Section 2 of this SLA) to Institution (the "Systems"). OCLC will use commercially reasonable efforts to meet the following service level and performance objectives to support the operation of the Systems.

4.2 **Uptime Commitment.**

a) **Availability.** OCLC will use commercially reasonable efforts to ensure that the Systems are available 99.5% of the time (the "Uptime Commitment"). Availability will be measured as follows:

(1) Availability = (T-D)/(T) * 100%; where

(2) T = the total number of minutes in the respective month, and

(3) D = the total number of minutes of downtime in the month excluding planned outages for scheduled maintenance, telecommunications or power disruptions caused by third parties, any other causes beyond OCLC's reasonable control, and excluding other times described herein.

b) **Notice Required.** OCLC will notify Institution promptly of any factor, occurrence, or event coming to its attention likely to affect OCLC's ability to meet the Uptime Commitment, or that is likely to cause any material interruption or disruption in the Systems.

c) **Scheduled Maintenance.** Scheduled maintenance may occur any Sunday during a 4-hour window and may occasionally be extended. Notice of scheduled maintenance shall occur 3 days prior to scheduled downtime. In the event planned emergency maintenance is required, OCLC will make commercially reasonable efforts to notify Institution in advance.

4.3 Systems Management

a) **Monitoring.** OCLC will monitor and maintain the Systems in working order each day (24 x 7). OCLC will proactively manage and monitor all application server hardware devices and software to ensure optimal performance and reliability as well as to detect abnormal events or exceeded utilization or performance thresholds.

b) **Maintenance.** OCLC will operate, monitor, and administer all servers, applications, and networks supporting the Systems. In order to provide such coverage, OCLC may utilize a mixture of on-site and on-call support staff, automated server monitoring, and automated paging technology.

c) **Change Control.** OCLC will install new equipment, software, releases, upgrades, fixes, patches, and other items necessary to maintain the Systems to industry standards. OCLC will proactively gather information from appropriate server, peripheral, operating system, or database vendors regarding upgrades, defect patches, or fixes.

SCHEDULE 23
cloudLibrary

1. Description

OCLC's cloudLibrary provides digital technology services to libraries used to distribute, lend, manage and protect the copyright content of eBook, audio book, digital magazines, newspapers, comics, graphic novels, manga, streaming videos, and other digital media, and provides libraries' patrons access to such digital content via the cloudLibrary app.

2. Definitions

2.1 "**Digital Content**" consists of digital files and titles to which Institution has purchased access and are accessible through the System to Institution hereunder for lending to Patrons.

2.2 "**Patron(s)**" mean those persons that Institution authorizes to access, use, and connect to the System via the internet, and download products from or otherwise use the Services (defined herein below) and/or access Digital Content from Institution using the Services.

2.3 "**Primary Support**" means service provided by Institution to its Patrons for its day-to-day support, technical aid, help and other assistance for Patron's use of the System, Services or for any issues arising from the use of the System.

2.4 "**Secondary Support**" means technical support services to be provided by OCLC to Institution including reasonable efforts to assist Institution in providing Primary Support, reasonable efforts to correct, fix, or circumvent errors, provide updates, enhancements, and new versions of the Services.

2.5 "**Software**" means any and all software, and related documentation, provided to or accessed by Institution in utilizing the Services.

2.6 "**System**" means the vehicle used to access, distribute, lend, and manage Digital Content.

2.7 All capitalized terms not defined herein shall have the same meaning ascribed to them in the Framework Agreement.

3. OCLC Services

3.1 OCLC will provide Services to Institution pursuant to the terms of this Agreement. Nothing hereunder grants any right to Institution to the use of, or access to, any Software or System source code. Further, these terms do not include any right to reproduce the System, Software or Products, to make or distribute copies or versions of any modules of the System, Software or Products to any third parties including its Patrons, or to make and/or sell variations or derivative works of the System, Software or Products. For the avoidance of doubt. "Products" do not include Digital Content and nothing herein shall prevent Institution from distributing Digital Content to its Patrons as contemplated by the terms of this Agreement. Sole ownership of copyrights and other intellectual and proprietary rights to the System, Software or Products will remain solely with OCLC or its publishers or suppliers.

3.2 OCLC has the right, at any time, to make such modifications to the System as it sees fit to the operation, performance or functionality of the System or as required by OCLC's publishers and suppliers. If such a modification of the System leads to discontinuation of the Services, or support, maintenance or the provision of new versions, updates or corrections materially impairs the value or use of the System to Institution, Institution will receive a pro-rata refund of the Services portion of the Fees previously paid for which Services were not delivered.

3.3 Institution acknowledges that some errors or defects may exist or arise in the System. OCLC's sole obligation with regard to such errors or defects will be to use commercially reasonable efforts to correct such errors and defects and provide Secondary Support provided at such times and by such methods as are mutually agreed upon by the Parties.

3.4 Institution acknowledges that all Services and Digital Content provided hereunder are subject to individual publisher limitations and restrictions.

4. Responsibilities of Institution

4.1 Institution shall assign personnel with appropriate skills and expertise in computer, data processing and related services to enable operation of the System and to provide Primary Support. Institution shall take reasonable steps to ensure that its employees, agents, and others under its direction abide by the terms of this Agreement.

4.2 Institution assumes responsibility for providing a suitable network and internet system for integration of System into Institution's website or other systems at its own expense. Institution agrees that it will be responsible for its own expenses and costs and that OCLC will have no obligations to reimburse Institution for any expenses or costs incurred by Institution in the preparation, systems integration, use of the System, or for any performance of Institution's duties necessary to make use of the System or Services.

4.3 Except for the System configured and hosted by OCLC, Institution is solely responsible for all aspects of catalog integration, operation, training, support and/or maintenance necessary for the operation of the System. This may include

obtaining, at its own expense, a SIP, SIP2 or other similar protocol software license from a third party to support direct integration of the Service with Institution's integrated Institution system. Institution agrees to perform Primary Support for Patrons using its System. Institution shall perform requested installation, upgrade, and reasonable technical services for Primary Support of the System and Products pursuant to installation and support procedures and policies as developed by OCLC and as modified from time-to-time. OCLC will provide Institution with documentation regarding Primary Support and OCLC support personnel will be available for Secondary Support by e-mail and phone.

4.4 Institution shall not make any representations or create any warranties, express or implied, concerning the Services, System or Software. Any such representations or warranties shall not be binding upon OCLC.

4.5 Institution may not, without OCLC's prior written consent (i) sublicense, lease, lend or transfer the Software to any third party; (ii) use, or permit the use of, the Software for the benefit of, or by, any third party, such as use of the Software as a service bureau; (iii) make copies of the Software except in the normal course of use or for archival purposes; or (iv) disassemble, reverse engineer or create derivative works of the Software except as permitted by law. Institution agrees to reproduce all copyright and proprietary rights notices included in the Software on copies that it is authorized to make.

4.6 Institution shall use reasonable efforts to operate its own website in compliance with the terms of this Agreement and will at its own expense comply with all applicable laws, ordinances, rules, and regulations that may be required in any jurisdiction or administrative agency in connection with the use and/or operation of the Services, System and Software.

4.7 Copyright Protection, Patron Authentication, Data Security and Data Aggregation

4.8 For so long as Institution is using the Software and receiving the Services, Institution shall reasonably cooperate with OCLC to achieve OCLC's and its publishers' and suppliers' objectives of protecting certain intellectual property interests relating to OCLC supplied Digital Content and Products. Institution shall keep appropriate documentation and System information and provide OCLC access to the System to validate total number of downloads of Digital Content. Institution shall provide OCLC access to a test Patron account for purposes of validating the system's performance relating to the Services. Institution shall reasonably cooperate with OCLC to correct or adjust the System as may be required to compensate for any errors or omissions disclosed by such test. Any such test will be conducted by OCLC at its own expense and during regular business hours and in such a manner as not to interfere with Institution's normal activities.

4.9 OCLC may use data stored in the System for other commercial purposes, including but not limited to a) ISBN; b) name of Digital Content; c) Institution with postal address; d) quantity of Digital Content purchased by Institution; and e) and other Digital Content circulation data ("Aggregated Data"). OCLC will not disclose personally identifiable Patron information to third parties.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**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: 6

SUBJECT: AN AMENDMENT TO THE PUBLIC SERVICES AGREEMENT WITH PRIMA PARTNERS CONSULTING, LLC FOR STATE ADVOCACY SERVICES

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Prima Partners Consulting, LLC, for State Advocacy Services, in the amount of $120,000 for a new total not-to-exceed agreement amount of $240,000 and to extend the agreement for an additional one-year term.

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

FISCAL IMPACT: The recommended Amendment No.1 will increase the authorized agreement amount of $120,000 by an additional $120,000, for a new total not-to-exceed amount of $240,000. The Fiscal Year 2026-27 Proposed Budget includes appropriations in the General Fund for State Advocacy Services.

BACKGROUND & ANALYSIS: The contract with Prima Partners Consulting, LLC was established to navigate the adopted Council priorities State-wide. Prima Partners Consulting, LLC has demonstrated exceptional ability to work with the City's local delegation and key Committee Members. The partnership with them has been successful in advancing City-sponsored legislation and protecting Ontario's interests at the State Capitol. They have also conducted extensive outreach and educational campaigns to advocate for local control on land use issues and have specialized knowledge on issues of direct financial impact to the City, including the Bradley Burns 1% local sales tax, which continues to be instrumental in assisting the City with local distribution amounts.

The City's immediate needs remain for advocacy services as the Legislature will continue to introduce new bills affecting local government in the coming months. It is recommended the City retain Prima Partners Consulting, LLC, through the next Legislative Session for their direct experience with Ontario-specific projects and priorities.

CITY OF ONTARIO
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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 PRIMA PARTNERS CONSULTING, LLC.

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 Prima Partners Consulting, 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 July 14, 2025 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to the term by one (1) year and increase the compensation by **One Hundred Twenty Thousand Dollars ($120,000)** for a total not-to-exceed amount of **Two Hundred Forty Thousand Dollars ($240,000)**.

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

3. Terms.

3.1 Amendment. Section 3 of the Agreement is hereby amended in its entirety to read as follows:

> **3.1.2 Term**. The term of this Agreement shall be from July 1, 2025, to June 30, 2027, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Two Hundred Forty Thousand Dollars ($240,000)** without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

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

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 1.

3.4 Severability. If any portion of this Amendment No. 1 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

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

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND PRIMA PARTNERS CONSULTING, LLC.

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

PRIMA PARTNERS CONSULTING, LLC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**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: 7

SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH TOWNSEND PUBLIC AFFAIRS, INC. FOR FEDERAL ADVOCACY SERVICES

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute the Amendment No. 2 to the Professional Services Agreement with Townsend Public Affairs, Inc., of Newport Beach, California, for Federal Advocacy Services in the amount of $84,000, increasing the total not-to-exceed agreement amount to $190,500 and to extend the agreement for an additional one-year term.

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

FISCAL IMPACT: The recommended Amendment No. 2 will increase the authorized agreement amount of $106,500 by $84,000, for a new total not-to-exceed amount of $190,500. The Fiscal Year 2026-27 Proposed Budget includes appropriations in the General Fund for Federal Advocacy Services.

BACKGROUND & ANALYSIS: On June 11, 2025, the City entered into a Professional Services Agreement with Townsend Public Affairs (TPA) for Federal Advocacy Services, following a competitive RFP process in which five firms were interviewed. On December 15, 2025, the City executed Amendment No. 1, which added grant writing services for Ontario Municipal Utilities Company (OMUC) and federal legislative strategy and tracking support, increasing compensation by $22,500 for a total not-to-exceed $106,500.

Established in 1998, TPA is a full-service federal legislative advocacy firm representing more than 315 clients, including 245 local public agencies, and has secured over $2.2 billion in funding on behalf of its clients.

TPA assists the City with securing public sector funding, supporting grant applications, crafting policy with federal agencies, and advocating for adopted City priorities. Staff recommend approval

on a sole source basis. TPA has developed institutional knowledge of the City's legislative priorities, pending federal funding pursuits, and established relationships with the City's Congressional delegation and key federal Administration contacts. Initiating a new competitive procurement at this time would disrupt active advocacy efforts and pending grant and appropriations requests and require a successor firm to rebuild federal relationships and re-learn the City's priorities.

CITY OF ONTARIO
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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 TOWNSEND PUBLIC AFFAIRS, INC.

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 Townsend Public Affairs 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 "Professional Services Agreement" dated June 11, 2025 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to extend term for one (1) year and increase the compensation amount by **Eighty-Four Thousand Dollars ($84,000)** for a total not-to-exceed amount of **One Hundred Ninety Thousand Five Hundred Dollars ($190,500).** The Parties have heretofore entered into that Amendment No. 1 dated December 15, 2025.

2.3 Amendment Authority. This Amendment No. 2 is authorized pursuant to Section 3 of the Agreement.

3. Terms.

3.1 Amendment. Section 3 of the Agreement is hereby amended in its entirety to read as follows:

> **3.1.2 Term.** The term of this Agreement shall be from July 1, 2025, to June 30, 2027, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than four additional one-year terms. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines. The

Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **One Hundred Ninety Thousand Five-Hundred Dollars ($190,500)** without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement. Exhibit "C" is hereby deleted in its entirety and replaced with Attachment C 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 PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND TOWNSEND PUBLIC AFFAIRS, INC.

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

TOWNSEND PUBLIC AFFAIRS, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Dennis Mejia Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Courtney Jones, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 8

SUBJECT: A CONSTRUCTION CONTRACT WITH TUNNELWORKS SERVICES, INC., FOR THE SEWER CURED-IN-PLACE PIPE (CIPP) LINING REHABILITATION PROJECT

RECOMMENDATION:

That the City Council take the following actions:

A. Approve the plans and specifications and award a Construction Contract with TunnelWorks Services, Inc., of Whittier, California, for Contract No. UT1080 Sewer Cured-In-Place Pipe (CIPP) Lining Rehabilitation Project in the amount of $3,180,240 plus a 15% contingency of $477,036, for a total not-to-exceed amount of $3,657,276 and a term of 365 calendar days after issuance of notice to proceed, and authorize the City Manager, or designee, to execute said contract and file a notice of completion at the conclusion of construction activities related to the project.
B. Reject the bid protest from Performance Pipeline Technologies against Tunnelworks Services, Inc. as without merit.

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 recommended Contract award to Tunnelworks Services, Inc., (Tunnelworks) is for $3,180,240 plus a 15% contingency of $477,036, for a total not-to-exceed amount of $3,657,276.

The Fiscal Year 2025-26 Adopted Capital Improvement Program includes appropriations from the Sewer Capital Fund in the amount of $3,200,000 for this project. If approved, additional appropriations in the Sewer Capital Fund will be included in a future quarterly budget update or a future Annual Budget for City Council consideration and approval. There is no impact to the General Fund.

BACKGROUND & ANALYSIS: The City's sewer system includes approximately 460 miles of pipeline. The Sewer Master Plan (SMP) identifies various capital needs, which are prioritized based on existing capacity deficiencies and deterioration, improvements for future growth, and the current level of maintenance activities required to provide adequate and reliable service.

Using the SMP in conjunction with maintenance data, Staff have identified the need to rehabilitate many existing sewer pipelines and manholes located within public easements, generally located within residential properties. In order to minimize construction impacts and disruption to property owners and residents, the sewer mains identified to be included in this project will be rehabilitated using CIPP lining. Unlike traditional open-trench repairs, CIPP allows for a no-dig solution by installing a liner through existing manholes and does not require excavation which is ideal for use in these residential project areas and is much less expensive than traditional open-trench excavation methods. In addition, this sewer lining process typically requires less time to complete than traditional open-trench construction. This rehabilitation method will extend the service life of the sewer system and ensure continuity in providing reliable wastewater service to City of Ontario residents.

On February 6, 2026, two bids were received for Bid No. 1971, UT1080 Sewer Cured-In-Place (CIPP) Lining Rehabilitation project, OMUC Contract No. UT 1080. The two bid totals are shown below.

Bidder	**Location**	**Amount**
Tunnelworks Service, Inc.	Whittier, CA	$3,180,240
Performance Pipeline Technologies	Huntington Beach, CA	$3,426,230

Staff reviewed bids for responsiveness and pricing and recommends awarding to Tunnelworks. Support services required during construction, such as inspections within the public right-of-way, other onsite inspections and project management will be completed by City Staff.

On February 13, 2026, the City received a formal bid protest letter from the second-lowest bidder, Performance Pipeline Technologies (Performance) stating that Tunnelworks bid was non-responsive due non-compliance with California Air Resources Board regulations. On March 11, 2026, the City's Legal Counsel notified Performance via email that its claim was without merit. The City determined that the issue raised pertained to the bidder' s responsibility, which refers to the bidder' s trustworthiness, quality, fitness, capacity, and experience to satisfactorily perform the public works contract. Staff concluded that Tunnelworks demonstrated these attributes and all irregularities were waived.

On April 3, 2026, Performance submitted a Demand for Rejection of Non-Responsive Bid and Notice of Potential Legal Action letter, reiterating the same claims presented in its February 13, 2026, protest letter. The City's Legal Counsel reviewed the letter and again determined that the claims were without merit, reaching the same conclusion previously communicated to Performance.

ENVIRONMENTAL REVIEW: The project has been reviewed pursuant to the California Environmental Quality Act (CEQA) and has been determined to be categorically exempt from CEQA pursuant to Article 19 Section 15031, which states that operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of Class 1 "Existing Facilities" are exempt from the requirements of CEQA. Thus, no further CEQA analysis is required.

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

THIS CONTRACT is made this _____ day of _____, 20__, in the County of San Bernardino, State of California, by and between the City of Ontario, hereinafter called City, and **Tunnelworks Services, Inc.**, hereinafter called Contractor. The City and the Contractor for the considerations stated herein agree as follows:

ARTICLE 1. SCOPE OF WORK. The Contractor shall perform all Work within the time stipulated 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:

UT1080 SEWER CURED-IN-PLACE PIPE (CIPP) LINING REHABILITATION

The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION. Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within 365 calendar days from the commencement date stated in the Notice to Proceed, herein after the Contract Time. By its signature hereunder, Contractor agrees the Contract Time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE. The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Three Million One Hundred Eighty Thousand Two Hundred Forty** Dollars (**$3,180,240**), hereinafter the Contract Price. Payment shall be made as set forth in the General Conditions.

ARTICLE 4. LIQUIDATED DAMAGES. The 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, as provided in Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of **$1,000** for each and every calendar day of delay in completing the Work 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 the Liquidated Damages are 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 Article does not affect the City's rights to other damages or remedies specified in the Contract Documents or allowed by law.

Should Contractor be inexcusably delayed in the performance of the Work, City may deduct Liquidated Damages based on its estimate of when Contractor will achieve Final Completion or other milestones. City need not wait until Final Completion to withhold Liquidated Damages from Contractor.

Liquidated Damages are not a penalty but an agreed upon estimate of the actual damages that would be sustained by the City for delay, including but not limited to loss of revenue, inconvenience to the City and the public, and increased Project administration expenses, such as extra inspection, construction management, staff time and architectural and engineering expenses. Liquidated Damages do not include actual damages the City incurs on account of claims by third parties against the City on account of any delay.

Should money due or to become due to the Contractor be insufficient to cover Liquidated Damages or other offsets due, then Contractor forthwith shall pay the remainder of the assessed liquidated damages to City.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT. The "Contract Documents" include the following documents, each of which is incorporated into this Contract by reference:

- Notice Inviting Bids
- Instructions to Bidders
- Bid Form
- Contractor's Certificate Regarding Workers' Compensation form
- Bid Bond
- List of Subcontractors form
- Contractor Information and Experience Form
- Non-Collusion Declaration form
- Public Works Contractor Registration Certification form
- Iran Contracting Act Certification form
- Fleet Compliance Certification form
- Contract
- Performance Bond
- Payment Bond
- Environmental documents and approvals (If Applicable)
- General Conditions
- Special Conditions
- Standard Specifications for Public Works Construction (Greenbook), Latest Edition, except Sections 1-9
- Technical Specifications
- Addenda (If Applicable)
- Plans and Drawings
- Approved and fully executed change orders
- Federal Requirements (If Applicable)
- Any other documents contained in or incorporated into the Contract

The Contactor 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. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW. 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 Public Contract Code applicable to this Project.

ARTICLE 7. INDEMNIFICATION. Contractor shall provide indemnification 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 office of the City Clerk or may be obtained online at http//www.dir.ca.gov/dlsr. and which must be posted at the job site.

ARTICLE 9. CONTRACTOR REGISTRATION AND LABOR COMPLIANCE. Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. This Project will be subject to compliance monitoring and enforcement by the Department of Industrial Relations. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be the Contractor's sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Contract and applicable law.

ARTICLE 10. 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

Tunnelworks Services Inc.

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

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

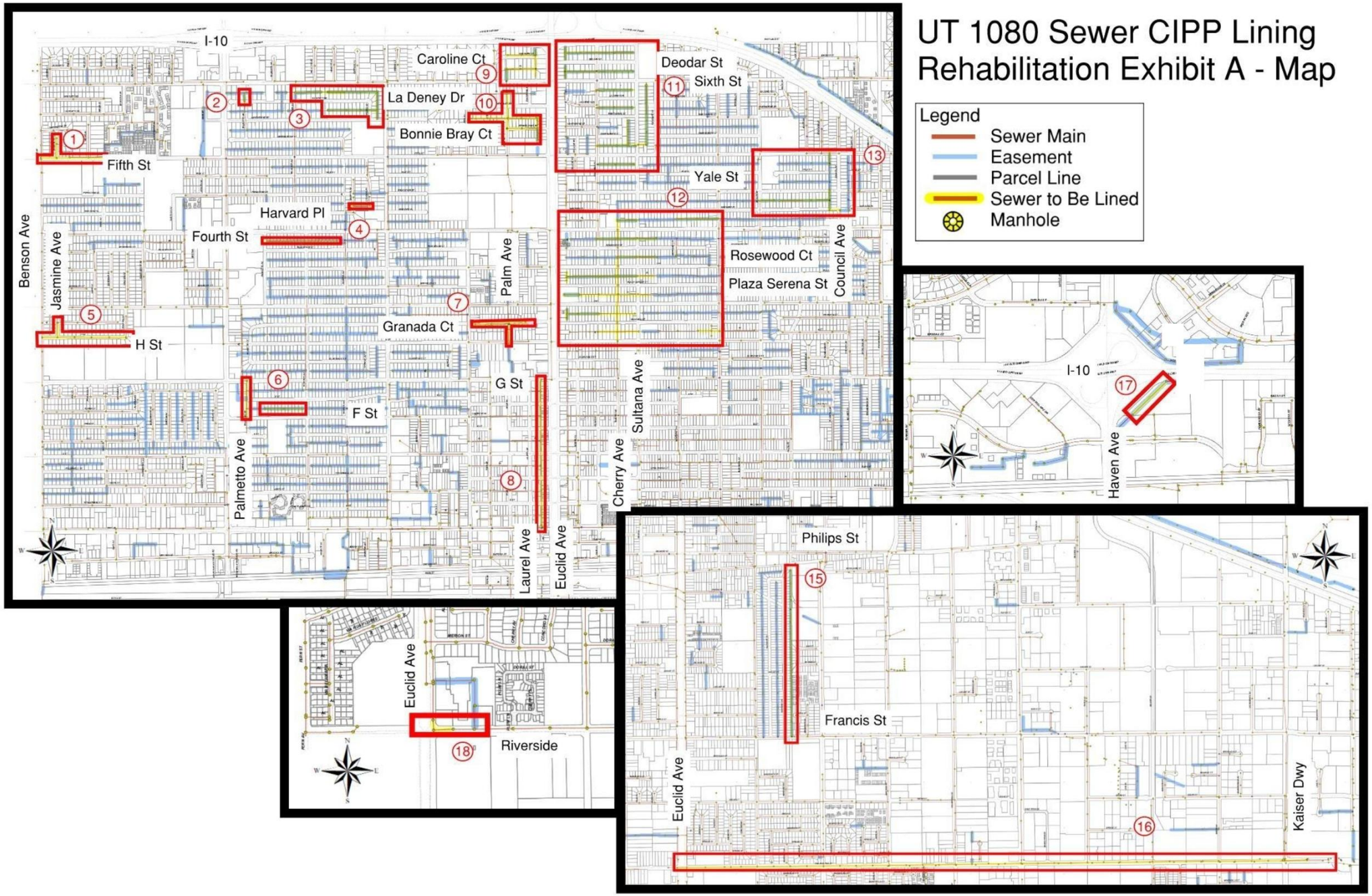
END OF CONTRACT

Line Items

Discount Terms No Discount

Item #	Item Code	Type	Item Description	UOM	QTY	Unit Price	Line Total	Response	Comment
BID SCHEDULE							$3,180,240.00		
1	A1		Mobilization, Demobilization	LS	1	$60,000.00	$60,000.00	Yes	
2	A2		Traffic Control and Safety	LS	1	$15,000.00	$15,000.00	Yes	
3	A3		CIPP (Cured-in-Place-Pipe) Liner Installation 8-Inch Diameter	LF	39765	$68.00	$2,704,020.00	Yes	
4	A4		CIPP (Cured-in-Place-Pipe) Liner Installation 20-Inch Diameter	LF	261	$0.00	$0.00	Yes	Removed bid item per addendum #5
5	A5		CIPP (Cured-in-Place-Pipe) Liner Installation 21-Inch Diameter	LF	670	$185.00	$123,950.00	Yes	
6	A6		100% CAC Calcium Aluminate Manhole Rehabilitation 48-Inch Diameter	VF	370	$705.00	$260,850.00	Yes	-
7	A7		100% CAC Calcium Aluminate Manhole Rehabilitation 60-Inch Diameter	VF	10	$730.00	$7,300.00	Yes	
8	A8		100% CAC Calcium Aluminate Manhole Rehabilitation 72-Inch Diameter	VF	12	$760.00	$9,120.00	Yes	

Exhibit A


UT 1080 Sewer CIPP Lining Rehabilitation Exhibit A - Map
Legend
Sewer Main
Easement
Parcel Line
Sewer to Be Lined
Manhole
I-10
Caroline Ct
La Deney Dr
Bonnie Bray Ct
Deodar St
Sixth St
Yale St
Fifth St
Harvard Pl
Fourth St
Benson Ave
Jasmine Ave
Palm Ave
Rosewood Ct
Plaza Serena St
Council Ave
Granada Ct
H St
G St
F St
Palmetto Ave
Cherry Ave
Sultana Ave
Laurel Ave
Euclid Ave
Haven Ave
Philips St
Francis St
Kaiser Dwy
Riverside
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CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Management Services Prepared By: Vanny Khu Staff Member Presenting: Jordan Villwock, Deputy City Manager Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 9

SUBJECT: **AN AMENDMENT TO THE MASTER SERVICES AGREEMENT WITH ENVISIO SOLUTIONS, INC. FOR PERFORMANCE MANAGEMENT AND STRATEGIC PLANNING SOFTWARE SERVICES**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 4 to the Master Services Agreement with Envisio Solutions, Inc. for continued performance management and strategic planning software services in the amount of $170,625, increasing the total not-to-exceed agreement amount to $306,025 and extending the term through June 18, 2031.

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

FISCAL IMPACT: The Fiscal Year 2026-27 Proposed Budget includes appropriations from the Information Technology Fund for continued performance management and strategic planning software services. The proposed Amendment No. 4 to the Master Services Agreement with Envisio Solutions, Inc. is in the amount of $170,625, increasing the total not-to-exceed agreement amount from $135,400 to $306,025. If approved, appropriations will be added to the future years' budgets consistent with the annual budget adoption process.

BACKGROUND & ANALYSIS: On July 1, 2023, the City of Ontario entered into a Master Services Agreement with Envisio Solutions, Inc., a provider of cloud-based performance management and strategic planning software. The Envisio platform allows City departments to align work plans to citywide goals, track key performance indicators, and report strategic plan progress to City leadership and the public. As part of the Agreement, the City subscribes to Polco Track, an add-on module that enables real-time monitoring and public reporting of strategic initiative outcomes and community engagement metrics at a flat annual rate with unlimited user access.

Amendment No. 1, executed on May 1, 2024, added the ASO KPI Dashboard buildout to the scope of services and increased the total not-to-exceed Agreement amount by $8,000. Amendment No. 2, dated June 1, 2024, incorporated Polco Track into the agreement, a module that provides the city with specific performance measures, benchmarks, and scores derived from publicly available datasets at a cost of $12,900. Amendment No. 3, dated June 16, 2025, extended the Polco Track

subscription for the period of June 16, 2025, through June 15, 2026, at a cost of $12,000. Envisio waived all annual price increases, and the total not-to-exceed agreement amount was increased from $123,400 to $135,400.

The proposed Amendment No. 4 would extend the Agreement for five years, through June 18, 2031, at an annual rate of $34,125, for a revised total not-to-exceed agreement amount of $306,025. Continuing with Envisio ensures operational continuity and avoids the staff time and cost associated with onboarding a new platform, including data migration and retraining. Staff recommends approval to allow uninterrupted continuation of these services.

ENVISIO

Appendix A - Quote

Bill To Name	City of Ontario, CA	Quote Number	1701552
Bill To	303 E B St Ontario, California 91764-4105 United States	Created Date	4/21/2026
		Expiration Date	6/19/2026
		Prepared By	Angela Najab
Contact Name	Jordan Villwock	Email	anajab@envisio.com

Product Description	Quantity	Sales Price	Total Price
1 of 5 year subscription for unlimited users to Envisio Plans, Analytics and Public Dashboard with unlimited active plans. Includes software licensing and online support for June 19, 2026 - June 18, 2027	1.00	USD 34,125.00	USD 34,125.00
2 of 5 year subscription for unlimited users to Envisio Plans, Analytics and Public Dashboard with unlimited active plans. Includes software licensing and online support for June 19, 2027 - June 18, 2028	1.00	USD 34,125.00	USD 34,125.00
3 of 5 year subscription for unlimited users to Envisio Plans, Analytics and Public Dashboard with unlimited active plans. Includes software licensing and online support for June 19, 2028 - June 18, 2029	1.00	USD 34,125.00	USD 34,125.00
4 of 5 year subscription for unlimited users to Envisio Plans, Analytics and Public Dashboard with unlimited active plans. Includes software licensing and online support for June 19, 2029 - June 18, 2030	1.00	USD 34,125.00	USD 34,125.00
5 of 5 year subscription for unlimited users to Envisio Plans, Analytics and Public Dashboard with unlimited active plans. Includes software licensing and online support for June 19, 2030 - June 18, 2031	1.00	USD 34,125.00	USD 34,125.00
Enterprise Software Subscription: Envisio Projects - Annual Subscription with Unlimited Licenses. 1 year trial at no cost for June 19, 2026 - June 18, 2027.	1.00	USD 0.00	USD 0.00
Envisio Projects Implementation: One-time fee. A managed service including system admin training, user training, reporting development and initial adoption support. Implementation services offered for 90-days. Fee waived as part of the 1 year trial.	1.00	USD 0.00	USD 0.00

Subtotal	USD 170,625.00
Total Price	USD 170,625.00

Quote Accepted By:

Name: _____ Date: _____

Signature: _____

Terms and Conditions

1. Prices set forth in this quote are valid for the period stated. All prices are quoted in US Dollars and are exclusive of applicable taxes. Customer is responsible for any sales, use, excise, or similar taxes imposed on amounts payable under this Agreement. If Envisio is required by law to collect such taxes, they will be added to the invoice unless Customer provides a valid tax-exemption certificate.
2. Travel and other reasonable business expenses will be reimbursed when incurred at Customers' request. Such expenses must be approved in advance by Customer.
3. Acceptance of this quote is acceptance of the accompanying Master Services Agreement (MSA) or a previously signed MSA in the event of renewal/upsell.

Payment methods: ACH, Wire or Check
Remit to email: finance@envisio.com

ACH/Wire Payment To
Account Name: Envisio Solutions Inc. | Bank: Silicon Valley Bank | Bank Address: 3003 Tasman Dr. Santa Clara, CA 95054
ABA/ACH Routing #: 121140399 | Account #: 3303262267 | Account Type: Checking

Appendix A - Quote

Terms and Conditions

1. Prices set forth in this quote are valid for the period stated. All prices are quoted in US Dollars and are exclusive of applicable taxes. Customer is responsible for any sales, use, excise, or similar taxes imposed on amounts payable under this Agreement. If Envisio is required by law to collect such taxes, they will be added to the invoice unless Customer provides a valid tax-exemption certificate.
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Payment methods: ACH, Wire or Check
Remit to email: finance@envisio.com

ACH/Wire Payment To
Account Name: Envisio Solutions Inc. | Bank: Silicon Valley Bank | Bank Address: 3003 Tasman Dr. Santa Clara, CA 95054
ABA/ACH Routing #: 121140399 | Account #: 3303262267 | Account Type: Checking

ENVISIO SOLUTIONS INC.

MASTER SERVICES AGREEMENT

PLEASE READ THIS MASTER SERVICE AGREEMENT ("**AGREEMENT**") CAREFULLY. THIS AGREEMENT APPLIES TO ENVISIO SOLUTIONS INC. ("**ENVISIO**") AND ANY CUSTOMER (THE "**CUSTOMER**") WHO UTILIZES ENVISIO'S SAAS STRATEGY IMPLEMENTATION SOFTWARE SERVICES DESCRIBED HEREIN (THE "**SERVICE**"), WHETHER OR NOT THE CUSTOMER PAYS FOR THE SERVICE.

ACCEPTING THE TERMS

BY ACCEPTING THIS AGREEMENT, EITHER BY CLICKING A BOX OR BY EXECUTING AN ORDER OR QUOTATION FORM THAT REFERENCES THIS AGREEMENT, THE CUSTOMER AGREES TO THE TERMS OF THIS AGREEMENT. IF THE CUSTOMER IS ENTERING INTO THIS AGREEMENT ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY, THE CUSTOMER REPRESENTS THAT IT HAS THE AUTHORITY TO BIND SUCH ENTITY AND ITS AFFILIATES TO THESE TERMS AND CONDITIONS. IF THE CUSTOMER DOES NOT HAVE SUCH AUTHORITY, OR THE CUSTOMER DOES NOT AGREE WITH THESE TERMS AND CONDITIONS, THE CUSTOMER MUST NOT ACCEPT THIS AGREEMENT AND MAY NOT USE THE SERVICES.

This Agreement was last updated on March 10 2023. It is effective between the Customer and Envisio as of the date of the Customer's acceptance of this Agreement.

1 PURCHASED SERVICES

1.1 Provision of Purchased Services

Envisio shall provide to the Customer the Service that is ordered by the Customer ("**Purchased Services**") on Envisio's invoice or quotation form (each a "**Quote**") during a Subscription Term (as defined below).

The Service is hosted on Envisio's service provider platform, "Heroku" (owned by Salesforce.com). Heroku's physical infrastructure is hosted and managed within Amazon's secure data centers and utilizes the Amazon Web Service ("**AWS**") technology. The Customer further acknowledges that the Customer Data (as defined below) resides on AWS's servers either in the USA or Canada (available on request). The Customer may access the Service, but has no right to receive a copy of the object code or source code to the Service. The Customer must have high speed Internet connection, and compatible hardware and up to date 'browser' software to access the Service, none of which are Envisio's responsibility.

1.2 Subscription License

Unless otherwise stated in the applicable Quote, the Purchased Services are purchased as a subscription license (the "**Subscription**") and non-transferrable to a third party. Additional Users (as defined below) can be added to the Subscription during the Subscription Term at the same pricing as the underlying Subscription, prorated for the portion of that Subscription Term remaining, and any added Subscription will terminate on the same date as the underlying Subscriptions.

2 ENVISIO'S RESPONSIBILITIES

2.1 Provision of Service

Envisio will use commercially reasonable efforts to make the Service available to the Customer 24 hours per day, 7 days per week, except for planned downtime of which Envisio shall provide at least 24 hours notice via the Service and scheduled to the extent practicable during the weekend hours between 6 pm Friday and 3 am Monday Pacific Time. Any unavailability

caused by circumstances beyond Envisio's reasonable control including but not limited to: the malfunction of equipment, acts of God, act of government, flood, fire, earthquake, civil unrest, act of terror (collectively, "**Force Majeure**"), or the activities of third parties not under Envisio's control (including Internet and other service providers) is not the responsibility of Envisio. Envisio will make reasonable efforts to reduce to a minimum and mitigate the effect of any Force Majeure.

2.2 Customer Data

The Customer must provide all data for use in the Purchased Services (the "**Customer Data**") and Envisio is not obliged to modify or add to it. The Customer Data belongs to the Customer and it is solely responsible for the content and accuracy. The Customer grants to Envisio all necessary licenses in and to such Customer Data solely for Envisio to provide the Service to the Customer.

Envisio will treat the Customer Data as confidential and will not disclose it to third parties unless as compelled by law or unless expressly permitted in writing by the Customer. Envisio will not access the Customer Data except as necessary to address service or technical issues, at the Customer's request.

As part of Envisio's standard Service offering, Envisio will make daily backup copies of the Customer Data and maintain such data for a period of seven weeks.

2.3 Software Uptime Agreement

Envisio endeavours to provide 99.9% uptime with respect to the Purchased Services in each calendar month during the Term, excluding:

(a) any scheduled maintenance times;
(b) factors outside Envisio's reasonable control; and
(c) downtime related to the Customer's or third party's hardware, software or services.

If in any calendar month this uptime commitment is not met by Envisio and the Customer was negatively impacted from a resulting disruption to the Purchase Services as determined in Envisio's sole discretion acting reasonably, Envisio shall provide, as the sole and exclusive remedy, a service credit equal to 25% of one month's fee for the use of the Service (the "**Credit**").

2.4 Service Level Agreement

There are several ways to get support for using Envisio, including online knowledge base, technical support, consulting support, and community support options.

The Customer Success Team technical and consulting support is available during its regular business hours on weekdays that are not legal Canadian holidays. Regular business hours are listed below for the time zone in which your organization is located:

>> 9:00 am EST until 8:00 pm EST
>> 8:00 am CST until 7:00 pm CST
>> 7:00 am MST until 6:00 pm MST
>> 6:00 am PST until 5:00 pm PST

The following targets will be used for response to support requests:

Severity	Initial Response	Resolution	Updates
Critical	1 hour	Work continuously	Every business day

High	2 hours	As soon as possible	Every other business day
Medium	4 hours	As soon as possible	Every other business day
Low	Following business day	Reasonable effort	Weekly

Severity indicators are defined as follows:

>> *Critical*- Envisio is down and no workaround is available.
>> *High* - Use of Envisio is impaired but instances are up and running. No workaround is available.
>> *Medium*- A function of Envisio has failed, but Envisio is still useable. Support is aware of the issue.
>> *Low*- Envisio functionality is not impaired. This priority also includes feature, information, documentation, how-to, and enhancement requests.

Updates will continue until the issue is resolved or there is a workaround in place. We aim to resolve all issues expeditiously, but when an issue is difficult to solve and takes longer than one business day, we will provide updates on our progress according to the schedule listed above.

Canadian holidays observed in British Columbia include: New Year's Day (January 1), Family Day (third Monday in February), Good Friday (Friday before Easter), Easter Monday, Victoria Day (Monday before May 25), Canada Day (July 1), British Columbia Day (first Monday in August), Labour Day (first Monday in September), Thanksgiving (second Monday in October), Remembrance Day (November 11), and Christmas Day (December 25). Envisio offices close for the entire week for the Christmas holiday.

2.5 Credit Request

In order to receive the Credit, the Customer must provide sufficient evidence to support the Credit and email info@envisio.com within 5 days of the end of the applicable calendar month. If the Customer is past due or in default with respect to any payments owed to Envisio under this Agreement, the Customer is not eligible to receive the Credit.

2.6 Provision of Professional Services

Implementation services are offered during Envisio's core business hours which are Monday through Friday, 8:30am to 5:00pm Pacific Time.

3 CUSTOMER'S USE OF THE SERVICE

3.1 Authorized Users

The Customer agrees to maintain authorized users based on the number of user accounts (" **Accounts** ") purchased under the Subscription as stated in the Quote. Only the Customer or persons or entities that have access to an Account through a username and password for the Account (each a " **User** " and collectively, the " **Users** ") may use the Account. If the number of Users exceeds the Accounts purchased, Envisio will notify the Customer's Administrator (as defined in Section 3.2 below) via email of the overage and the Customer will have 5 business days following delivery of such email to make any changes necessary to address the overage. Following that 5 business days period, if the overage remains Envisio will invoice the Customer for the additional Accounts required to address the overage at the same fee as the existing Accounts subscribed for under the Subscription, prorated for the duration of the Subscription Term remaining and the Customer will pay the invoice according to the terms outlined in Section 5.4 below.

3.2 Email and Notices

At the time of ordering the Service from Envisio, the Customer shall identify the administrator(s) responsible for the Accounts (each an " **Administrator** "). The Customer agrees to provide Envisio with the Administrator's contact information including e-mail address. By providing the Administrator's e-mail address, the Customer agrees to receive all required notices electronically to the Administrator's e-mail address.

The Administrator shall be responsible on behalf of the Customer for managing the Accounts, maintaining all User information, and the Purchased Services used by the Customer. It is the Customer's sole responsibility to notify Envisio if the Customer changes or intends to change its Administrator(s).

3.3 Users: Passwords, Access and Notifications

It is the Customer's responsibility to change and maintain its Users' records in Envisio to secure access to the Account. The Customer is also solely responsible for ensuring the confidentiality and secrecy of each User's login. The Customer agrees not to disclose its Users' login information to any third party and will prevent its employees and personnel from sharing User's login information amongst themselves. The Customer will be responsible for all electronic communications generated through the Service, including, but not limited to, Account registration and notices. The Customer is only entitled to access and use the Service and the Account for lawful purposes.

Customer shall use commercially reasonable efforts to prevent unauthorized access to or use of the Service and shall promptly notify Envisio of such unauthorized access or loss/theft of any of its Users' login information.

3.4 Restrictions

The Customer is responsible for all activities conducted under its User accounts and ensuring their Users' compliance with this Agreement.

The Customer shall not:

(a) permit concurrent use of a single User account, or time-sharing of the Service;

(b) post or transmit any Customer Data that contains viruses, worms, time bombs, Trojan horses or any other contaminating, corrupting or destructive features, or use the Service in an irresponsible manner that interferes with the proper working and normal operation of the Service, or detrimentally interferes with personal information or property of another;

(c) copy, modify, create a derivative work of, reverse engineer, reverse assemble, disassemble, decompile or otherwise attempt to extract the source code or modify the Service in any manner or form; or

(d) transfer, sell, lease, rent or assign, in any way, all or a portion of, the Account and/or the Service to any third party (other than Users in accordance with Section 3.1).

This Section shall survive any termination or expiration of this Agreement.

4 INTELLECTUAL PROPERTY

The Customer acknowledges that Envisio retains all right, title and interest in and to the Service and all software, materials, formats, interfaces, information, data, content and Envisio's proprietary information and technology used by Provider or provided to Customer in connection with the Service (the "Envisio Technology"), and that the Envisio Technology is

protected by intellectual property rights owned by or licensed to Envisio. Other than as expressly set forth in this Agreement, no license or other rights in the Envisio Technology are granted to the Customer, and all such rights are hereby expressly reserved by Envisio.

The Customer must not, without Envisio's express written consent, use any of Envisio's trademarks, service marks, copyrighted materials, or other intellectual property.

The Customer acknowledges that any ideas, suggestions, concepts, processes or techniques that it provides to Envisio related to the Service or Envisio's business (the "Feedback") shall become Envisio's property without any compensation or other consideration payable to the Customer by Envisio, and the Customer does so of its own free will and volition. Envisio may or may not, in its sole discretion, use or incorporate the Feedback, in whatever form or derivative that Envisio may decide, into the Service, documentation, business or other products. The Customer hereby assigns all rights on a worldwide, exclusive basis in perpetuity to Envisio in any Feedback and, as applicable, waives any moral rights to the Feedback.

This Section shall survive any termination or expiration of this Agreement.

5 PURCHASED SERVICES AND PAYMENT

5.1 Term of Agreement

This Agreement is effective between the Customer and Envisio as of the date of the Customer's acceptance of this Agreement and continues until the Subscription Terms with respect to each Subscription subscribed for by the Customer hereunder has expired or terminated.

5.2 Term of Subscriptions and Renewal

The term of each Subscription (the "**Subscription Term**") shall be as set out in the applicable Quote. Unless otherwise set out in the applicable Quote, the Customer may renew each Subscription for additional periods equal to the expiring Subscription Term or one year (whichever is shorter) upon written notice by Customer to Envisio prior to the expiration of the Subscription. The per-unit pricing during renewal will be the same as that during the immediately prior term unless Envisio has provided the Customer written notice of a pricing increase, not to exceed 10% per annum, at least 60 days before the end of that prior term, in which case the pricing increase will be effective upon renewal and thereafter.

5.3 Service Fees

The Customer shall pay Envisio the fees specified on the Order Form (the "Fees"). Fees are based on Purchased Services comprising of subscription fees and implementation fees and are non-refundable. Purchased Services cannot be decreased during the Subscription Term. This Section shall survive any termination or expiration of this Agreement.

5.4 Invoicing and Payment

Billing for the Purchased Services will be in advance on an annual (twelve months) basis. Unless otherwise stated in the Quote, invoiced charges are **due on receipt** . The Customer is responsible for providing complete and accurate billing and contact information to Envisio and notifying Envisio of any changes to such information. Overdue invoices will incur a 2% per month interest charge. If the Customer fails to pay the invoice within the Due Date, Envisio may, at its sole discretion, declare the Account delinquent (a "**Delinquent Account**"). This Section shall survive any termination or expiration of this Agreement.

5.5 Applicable Taxes

Envisio shall charge the Customer, and the Customer shall pay to Envisio, all applicable taxes, including any retroactive taxes on past Fees or charges (whether already paid or not) in cases where Envisio is under a legal obligation to collect such tax from the Customer. The Customer shall be responsible for any and all other taxes that the Customer is under a legal obligation to pay. This Section shall survive any termination or expiration of this Agreement.

5.6 30-Day Money Back Guarantee

Within 30 days after the Customer has signed this Agreement, upon the Customer's written cancellation request, Envisio will refund all subscription fees paid by the Customer. Customer will still be liable for implementation fee and any professional fees in respect of professional services ordered. After 30 days, all Purchased Services are non-refundable and non-cancellable.

6 TERMINATION AND SUSPENSION

6.1 Envisio's Right to Suspend the Account

Envisio reserves the right to suspend the Customer's Account and access to and use of the Service under the following conditions:

- the Account becomes a Delinquent Account; or
- Envisio reasonably concludes that the Account is being used to engage in denial service attacks, spamming, or illegal activity, and/or use of the Account is causing immediate, material and/or ongoing harm to Envisio and others.

In the extraordinary event that Envisio suspends the Customer's access to the Service, Envisio will use commercially reasonable efforts to limit the suspension to the offending portion of the Service and resolve the issues causing the suspension of the Service.

6.2 Termination for Cause/Expiration

Either party (the " **Complaining Party** ') may immediately terminate this Agreement and all Quotes issued hereunder in the event the other party (the " **Breaching Party** ') commits a material breach of any provision of this Agreement which is not cured within thirty (30) days of written notice from the Complaining Party.

Such notice by the Complaining Party shall expressly state all of the reasons for the claimed breach in sufficient detail so as to provide the Breaching Party an opportunity to cure such alleged breach and shall be sent to the Breaching Party in accordance with the notice requirements set out in Section 10.8 below.

Upon termination or expiration of this Agreement, Customer shall have no rights to continue use of the Service. If this Agreement is terminated by Customer for any reason other than a termination expressly permitted by this Agreement, then Envisio shall be entitled to all of the Fees due under this Agreement for the entire Term. If this Agreement is terminated as a result of Envisio's breach of this Agreement, then Customer shall be entitled to a refund of the pro rata portion of any subscription fees paid by Customer to Envisio under this Agreement for the terminated portion of the Term.

6.3 Termination for Convenience

Customer may terminate this Agreement without cause by giving sixty (60) days advance written notice to Envisio of its election to terminate this Agreement pursuant to this provision. In the event of such termination, Customer agrees to pay a SaaS Recovery Amount equivalent to 50% of the subscription fees for the remainder of the initial term of the Agreement.

6.4 Handling of Customer Data Upon Termination

Effective upon cancellation of the Account, Envisio may deactivate the Account and be entitled to delete the Account and the Customer Data from the Service on the date the Subscription Term expires. The Customer further agrees that Envisio shall not be liable to the Customer nor to any third party for any termination of the Customer's access to the Service or deletion of the Customer Data, provided that Envisio is in compliance with the terms of this Section 6.3. It is the responsibility of the Customer to obtain a full data export, screen captures and download all necessary reports and any other Customer data, should the Customer wish to keep the data.

7 PRICE AND SERVICE CHANGES

7.1 Software Subscription Fees

Envisio reserves the right to amend the Fees and the nature of the Service offered to the Customer from time to time and in its sole discretion, provided however that Envisio shall not decrease the level of Service or increase the subscription fees by more than 10% per annum per Subscription until the end of the Subscription Term in effect for the Customer. Envisio shall give the Customer notice of any such changes in the Fees and the Service 60 days in advance of the expiration of the relevant Subscription Term. If the change in Fees is not acceptable to the Customer, the Customer's sole and exclusive remedy shall be to cancel the applicable Subscription by providing Envisio with written notice of cancellation to info@envisio.com at least 30 days before to the expiration of the relevant Subscription Term. Continuing to use the applicable Service after the end of the Subscription Term constitutes the Customer's acceptance of all changes in Fees.

7.2 Professional Services Fees

Professional Services, as defined in the Envisio implementation Guide, are quoted at a fixed cost and, unless otherwise stated in the Envisio order form, are scheduled and offered for a period of 12 months from the agreed upon commencement date. Envisio will make all reasonable effort to deliver on the full agreed-upon implementation scope during the initial 12-month period. Additional Professional Services required as a result of add-on feature purchases or as a result of implementation delays outside Envisio's control during the 12-month period will be charged at an hourly rate of $175 per person per hour.

8 WARRANTIES

8.1 Our Warranties

Envisio warrants that (a) the Service will achieve in all material respects the functionality described in the applicable technical documentation for the Service that is provided from time to time by Envisio to the Customer (the "**Help Documentation")**, and (b) Envisio will not materially decrease the functionality of the Service subscribed for under a Subscription during the applicable Subscription Term. The Customer's sole and exclusive remedy for Envisio's breach of this warranty shall be that Envisio be required to use commercially reasonable efforts to modify the Service to achieve in all material respects the functionality as described in the Help Documentation and, if Envisio is unable to restore such functionality, the Customer shall be entitled to terminate this Agreement and receive a pro-rata refund of the subscription fees paid under this Agreement for the Subscription for the terminated portion of the Subscription Term.

8.2 Disclaimer of Warranty

THE SERVICE AND ANY OTHER PRODUCTS AND SERVICES PROVIDED BY ENVISIO TO THE CUSTOMER ARE PROVIDED "AS IS", "AS AVAILABLE", WITH ALL FAULTS AND WITHOUT ANY WARRANTIES, REPRESENTATIONS OR CONDITIONS OF ANY KIND EXCEPT AS EXPRESSLY SET OUT HEREIN. ENVISIO HEREBY DISCLAIMS ALL IMPLIED, COLLATERAL OR STATUTORY WARRANTIES, REPRESENTATIONS OR CONDITIONS, WHETHER WRITTEN OR ORAL, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, NON-INFRINGEMENT, SECURITY, RELIABILITY, COMPLETENESS, ACCURACY, QUALITY, INTEGRATION OR FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING THE GENERALITY OF ANY OF THE FOREGOING, PROVIDER EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY THAT ANY DATA OR INFORMATION PROVIDED TO CUSTOMER IN CONNECTION WITH CUSTOMER'S USE OF THE SERVICE (INCLUDING ALERTS AND RECOMMENDATIONS) IS ACCURATE, OR CAN OR SHOULD BE RELIED UPON BY CUSTOMER FOR ANY PURPOSE WHATSOEVER.

FOR THE PURPOSES OF THIS SECTION 8.2, "ENVISIO" INCLUDES ENVISIO'S DIVISIONS, SUBSIDIARIES, AFFILIATES, SUCCESSORS, PARENT COMPANIES AND THEIR (INCLUDING ENVISIO'S) EXECUTIVES, DIRECTORS, OFFICERS, ATTORNEYS, MANAGERS, EMPLOYEES, CONSULTANTS, CONTRACTORS, AGENTS, AFFILIATES, RESELLERS, THIRD PARTY PROVIDERS, MERCHANTS, LICENSORS AND THE LIKE.

This Section shall survive any termination or expiration of this Agreement.

9 LIMITATION AND EXCLUSION OF LIABILITY

9.1 Limitation of Liability

(a) IN NO EVENT SHALL ENVISIO BE LIABLE TO OTHER PARTY FOR ANY (I) SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, (II) LOST SAVINGS, PROFIT, DATA, USE OR GOODWILL, (III) BUSINESS INTERRUPTION, EVEN IF NOTIFIED IN ADVANCE OF SUCH POSSIBILITY, OR (IV) PERSONAL OR PROPERTY DAMAGE ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS AGREEMENT, REGARDLESS OF CAUSE OF ACTION OR THE THEORY OF LIABILITY, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE, GROSS NEGLIGENCE, FUNDAMENTAL BREACH, BREACH OF A FUNDAMENTAL TERM) OR OTHERWISE.

(b) IN NO EVENT WILL THE TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH OR UNDER THIS AGREEMENT EXCEED THE TOTAL AMOUNT OF FEES PAID BY THE CUSTOMER TO ENVISIO IN THE 12 MONTHS PRECEDING THE DATE THE CAUSE OF ACTION FIRST AROSE.

(c) THE PROVISIONS OF SECTION 9.1(A) AND 9.1(B) SHALL NOT APPLY TO THE EXTENT THAT THE CAUSE OF ACTION GIVING RISE TO THE CLAIM ARISES FROM:

I. A BREACH OF A PARTY'S CONFIDENTIALITY OBLIGATIONS UNDER THIS AGREEMENT; OR

II. CLAIMS FOR FEES OWED TO ENVISIO UNDER THIS AGREEMENT AND ANY COST, EXPENSE OR FEES INCURRED IN THEIR COLLECTION.

THE CUSTOMER SHALL MAKE NO CLAIM, COMPLAINT, OR PROCEEDING AGAINST ENVISIO FOR ANY OR ALL PORTIONS OF THE SERVICES THAT MAY REQUIRE THE DOWNLOADING OF WEB SITE COOKIES FOR THE CUSTOMER TO ACCESS SUCH PORTIONS OF THE ACCOUNT.

FOR THE PURPOSES OF THIS SECTION 9.1, "ENVISIO" INCLUDES ENVISIO'S DIVISIONS, SUBSIDIARIES, AFFILIATES, SUCCESSORS, PARENT COMPANIES AND THEIR (INCLUDING ENVISIO'S) EXECUTIVES, DIRECTORS, OFFICERS, ATTORNEYS, MANAGERS, EMPLOYEES, CONSULTANTS, CONTRACTORS, AGENTS, AFFILIATES, RESELLERS, THIRD PARTY PROVIDERS, MERCHANTS, LICENSORS AND THE LIKE.

This Section shall survive any termination or expiration of this Agreement.

10 GENERAL

10.1 Interpretation of this Agreement

The term "including," wherever used in any provision of this Agreement, means "including but without limiting the generality of any description preceding or succeeding such term." Any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the construction or interpretation of this Agreement.

The division of this Agreement into sections/paragraphs, and the insertion of headings/captions, are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement or be deemed a part of this Agreement.

10.2 Inurement

The rights and liabilities of both the Customer and Envisio (collectively, the "Parties") under this Agreement shall bind and inure to the benefit of the Parties' respective successors, executors, and administrators, as the case may be.

10.3 Assignment

Neither party may assign this Agreement without written consent of the other, except that Envisio may assign without consent to a related entity or the successor of all or substantially all of the assignor's business or assets to which this Agreement relates. This Agreement does not create any joint venture, partnership, agency, or employment relationship between the parties, although Envisio reserves the right to name Customer as a user of the Service.

10.4 Governing Law

This Agreement and any other agreement for the Services shall be governed by and construed in accordance with the laws of the State of California, without regard to conflicts of laws principles. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Agreement.

10.5 Reserved

10.6 Severability

If any provision or portion of this Agreement is found by a court of competent jurisdiction to be unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect.

10.7 Independent Contractors

Nothing in this Agreement shall be construed as creating a partnership or relationship of employer and employee, principal and agent, partnership or joint venture between the parties. Each party will be deemed an independent contractor at all

times and shall have no right or authority to assume or create any obligation on behalf of the other party, except as may be expressly provided herein.

The Customer must not, in any way, misrepresent the Customer's relationship with Envisio, attempt to pass itself off as Envisio, or claim that the Customer is Envisio.

10.8 Injunction

The Customer acknowledges and agrees that money damages are not an adequate remedy for any breach or threatened breach related to Envisio's rights or the Customer's use of the Service beyond the rights granted to Customer in this Agreement. The Customer therefore agrees that in addition to other remedies available hereunder, by law or otherwise, Envisio shall be entitled to an injunction against any such breach by the Customer.

10.9 Lack of Appropriations

If Customer fails to receive sufficient appropriation of funds for continuation of this Agreement or like services, Customer may unilaterally terminate this Agreement upon thirty (30) days written notice to Envisio. Non-appropriation of funds as used herein means a level of funding that results in less funding than that which was allocated for the Services in the immediately preceding fiscal year. Customer will not be entitled to a refund or offset of previously paid, but unused fees. Customer agrees not to use termination for lack of appropriations as a substitute for termination for convenience.

10.10 Notices

Notice to Customer

Any notice to the Customer from Envisio will be sent to the e-mail address of the Administrator, or provided in writing, registered postal service (postage prepaid), or by pre-paid commercial courier delivered to the Customer at the mailing address specified on their Account.

Notice to Company

Any and all notices to Envisio from the Customer must be given by in writing, e-mail, first class postal service (postage prepaid), or by pre-paid commercial courier delivered to Envisio at:

Envisio Solutions Inc.
300-15300 Croydon Drive
Surrey, BC V3Z 0Z5

Tel: 888-371-4800
email: info@envisio.com

10.11 Complete Agreement

This Agreement constitutes the complete understanding and agreement between the Customer and Envisio. Except when expressly agreed to the contrary in signed writing by an authorized representative of Envisio, this Agreement supersede any other written (including digitized/computerized) agreement, oral agreement, and/or agreement by conduct. This Agreement or any other specific agreement for the Service between Envisio and the Customer shall each be exclusively between Envisio and the Customer only and shall not confer any rights in any third party.

ENVISIO

Pricing Term for Quote Number 1701552

- Envisio annual subscription is based on a 5 year term
- 5% Increase applied to Y1 Price
- Price increases waived for all consecutive years

Year 1 Price for Enterprise *June 19 2026 to June 18, 2027*	$34,125.00 USD
Year 2 Price for Enterprise *June 19, 2027 to June 18, 2028*	$34,125.00 USD
Year 3 Price for Enterprise *June 19, 2028 to June 18, 2029*	$34,125.00 USD
Year 4 Price for Enterprise June 19, 2029 to June 18, 2030	$34,125.00 USD
Year 5 Price for Enterprise June 19, 2030 - June 18, 2031	$34,125. USD
Envisio Projects - Annual Subscription - 1 year trial at no cost for June 19, 2026 - June 18, 2027.	$0.00
Envisio Projects Implementation - Fee waived as part of the 1 year trial.	$0.00

Terms of Payment

- Year 1 Due 100% upon Contract Effective Date (Net 30)
- Year 2 is due 365 days from the Contract Effective Date and annually thereafter
- For amendment no 4: This is an amendment to the existing Master Services Agreement with the City of Ontario entered into as of April 28, 2026 by the City of Ontario and Envisio Solutions Inc.
- The Parties entered into the agreement on July 1st, 2023, which outlines the terms and conditions for performance management and strategic planning software services
- The Parties hereby agree to amend the Agreement to include additional services without altering the existing term of the Agreement
- The amendment increases the not-to-exceed contract amount to $306,025

Print Name: _____

Title: _____

Accepted by:

Date: _____

Signature: _____

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Community Life & Culture Prepared By: Danielle Guevara Department: Prepared By: Danielle Guevara 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: 10

SUBJECT: GRANT FUNDING CONTINUATION FROM OMNITRANS MEASURE I FOR THE ONTARIO SILVER S.T.A.R.S. PROGRAM FOR 2026-2028

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute grant documents and accept a $1,156,851 Omnitrans Measure I continuation grant for July 2026 through June 2028 to fund the Ontario Silver S.T.A.R.S. Program.

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: The City of Ontario has applied for a total of $1,156,841 from Omnitrans through Measure I funding. The funding will be provided over Fiscal Year (FY) 2026-27 and 2027-28. A General Fund cash match of $140,350 through FY 2027-28 is required by this Agreement. If approved, additional revenues and related appropriations will be included in the Grants fund at a future quarterly budget update to City Council for approval as needed. The FY 2026-27 Proposed Budget includes appropriations for the General Fund cash match portion.

BACKGROUND & ANALYSIS: The Ontario Silver S.T.A.R.S. (Senior Transportation and Recreation Shuttle) program is an appointment- based service that provides curb-to-curb transportation service. The purpose of the program is to provide transportation to and from the Ontario Senior Center and other Community Centers within the City for senior-focused programming. The program also provides transportation service to grocery stores, pharmacies, and non-emergency doctor visits.

Omnitrans has the ability to provide Measure I funds to agencies for projects that improve mobility for persons with disabilities, senior citizens, and persons of low income. At this time, Omnitrans is the only other source of public transportation within the city limits. The Ontario Silver S.T.A.R.S. program operates five days per week (Monday - Friday). The program generally operates between

7:30 AM and 4:30 PM, depending on the last participant to call and arrange their return trip on a given day. The program currently serves an average of 1,200 riders per month.

The current grant funding provides operating expenses for five vehicles, two full-time drivers, four part-time drivers, and other operations-related expenses. If approved, this will provide our current operating expense and allow the department to replace the shuttle with a new model.

Award Proposal	AWP-000044: OmniTrans Measure I Grant 2026 07/01/2026
Proposal Number	AWP-000044
Status	Approved

Proposal

Company	City of Ontario
Name	OmniTrans Measure I Grant 2026
Description	Operating and Capital Cost for Ontario Silver S.T.A.R.S. (Senior Transportation and Recreation Shuttle)
Lifecycle Status	Submitted
Submission Type	New Award Proposal
Signed Date	
Assistance Listing Number	
Assistance Listing Description	
Proposed Award Type	
Purpose Code	Quality of Life
Institutional Id	
Spend Restriction Default	
Related Proposal	
Plan Template	
Plan	

Sponsor

Sub-Proposal	
Prime Sponsor	
Sponsor	OmniTrans
Bill-To Sponsor	OmniTrans
Payment Type	

Proposal Amounts

Currency	USD
Sponsor Direct Cost	1,139,259.00
Sponsor Facilities And Administration	0.00
Sponsor Total	1,139,259.00
Cost Share Total	266,345.00
Proposal Total	1,405,604.00
Cost Share Required by Sponsor	Yes

Proposal Calendar

Proposed Schedule	OmniTrans Measure I Grant 2026
Award Proposal Start Date	07/01/2026
Award Proposal End Date	06/30/2028

Proposal Lines

Award Proposal Line Number 1

Proposal Line Details

Line Item Details

Line Type	Cost Reimbursable
Primary	Yes
Grant	OmniTrans Measure I Grant 2026

Line Amount	1,405,604.00
Revenue Category	Local Grants
Line Item Description	

Facilities And Administration

Rate Agreement	
Basis Type	
Object Class Set	
Cost Rate Type	
Exception	

Additional Information

From Date	
To Date	
Memo	
***Cost Center**	REC008 Recreation/Community Services Grants and Projects
***Fund**	2400 Grants Fund
Additional Worktags	
Subrecipient	

Proposal Line Notes

Personnel

Person	Responsibility	Key Personnel	Committed Effort							
			Plan Period	From Date	To Date	Schedule Type	Months	Committed Effort	Annual Committed Effort	Cost Share Rate

Proposal Notes

Notes

Attachments

Attachment
Apendix E -Proposed-Capital-Project-Budget-Form-FY27-FY28.xlsx
Measure-I-CFP-Project-Application-2026.docx
Silver STARS Ad (Quarter).pdf
Silver STARS 2024 (8.5x11) (1) (1).pdf
Continued Funding Operating Project Budget Form FY27-FY28.xlsx
RMP Program Continuing Application 2026.docx

Special Conditions

Special Condition Type	Comment

Process History

Process	Step	Status	Completed On	Due Date	Person (Up to 5)	All Persons	Comment
Award Proposal Event	Award Proposal Event	Step Completed	01/22/2026 05:56:05 PM		Guevara, Danielle D	1	
Award Proposal Event	Approval by Award Contract Specialist	Approved	01/29/2026 02:35:59 PM		Gutierrez, Alec (Award Contract Specialist)	1	Gutierrez, Alec: Award application is attached.

Process	Step	Status	Completed On	Due Date	Person (Up to 5)	All Persons	Comment
Award Proposal Event	Approval by Sponsored Programs Manager	Approved	03/10/2026 08:21:09 PM		Sy, Mary Ann L (Sponsored Programs Manager)	1	
Award Proposal Event	Approval by Budget Manager	Approved	03/11/2026 07:33:44 AM		Contreras, Danyel D (Budget Manager)	1	

FUNDING AGREEMENT
BETWEEN
OMNITRANS
AND
CITY OF ONTARIO

This Funding Agreement for Measure I funds ("**Agreement**") by and between City of Ontario (**"Ontario"**), a City of Ontario and Omnitrans, a Joint Powers Authority and a Consolidated Transportation Services Agency ("**Omnitrans**"), is entered into this 1st day of July 2026. Ontario and Omnitrans are sometimes individually referred to as "**Party**" and collectively as "**Parties**."

RECITALS

WHEREAS, in its capacity as the Consolidated Transportation Services Agency ("**CTSA**") for the San Bernardino Valley, Omnitrans has the ability to provide Measure I funds to other entities for projects that improve mobility for persons with disabilities, senior citizens, and persons of low income; and

WHEREAS, Ontario currently operates its Ontario Silver S.T.A.R.S. (Senior Transportation and Recreation Shuttle) program; and

WHEREAS, City of Ontario would like to continue Ontario Silver S.T.A.R.S.; and

WHEREAS, Omnitrans desires to provide Ontario funds to continue Ontario Silver S.T.A.R.S., on a reimbursable basis, for the City of Ontario; and

WHEREAS, the parties wish to enter into this Agreement to document the terms and conditions of Omnitrans funding of the Ontario Silver S.T.A.R.S. (Senior Transportation and Recreation Shuttle) Project.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Project Description: The Ontario Silver S.T.A.R.S. (Senior Transportation and Recreation Shuttle) program is a subscription and on-demand appointment-based service that provides curb-to-curb transportation for those 62 and older or 50 and older with a disability. The purpose of the program is to provide safe and consistent transportation to and from the Ontario Senior Center and other Community Centers within the City for senior-focused programming, businesses providing essential services, and medical appointments. Hours of operation are

Monday-Friday, 8:00 AM to 4:30 PM. The program is advertised electronically and in print at the City of Ontario Community Centers. Additionally, the transportation program is advertised in the Ontario Living Magazine, which is mailed out quarterly to residents in the City of Ontario. However, perhaps our most effective form of advertisement has been the wrap on our vehicles. The vehicles we are currently using for the program are wrapped with an eye-catching graphic design, effectively turning them into moving billboards that draw attention to the program. The vehicle wraps allow us to reach a wider audience of seniors who may not be aware of our senior center and transportation program. Additionally, Silver S.T.A.R.S. staff promote the service at various city events and local senior living facilities.

2. Term: This Agreement will be for a term of two (2) years and shall expire on June 30, 2028, unless otherwise terminated as provided for in this Agreement or extended by written agreement between the parties.

3. Funding Amount: The amount to be paid to the City of Ontario under this Agreement will not exceed $1,023,651.25 in operating expenses, with annual not to exceed amounts of $504,233.00 in Fiscal Year 2027 and $519,418.25 in Fiscal Year 2028. A total of $133,200.00 in capital expenses, with annual not to exceed amounts of $133,200.00 in Fiscal Year 2027 and $0 in Fiscal year 2028 - unless agreed to in advance by the parties pursuant to a written amendment. In no instance will Omnitrans be liable for any payments or costs for work in excess of these amounts, nor for costs not listed in Project Budget, attached hereto as Exhibit B.

4. Payment:

   a. On a monthly basis, City of Ontario will provide Omnitrans with an invoice for reimbursement pursuant to Subsections 4.b. and 4.c., below.

   b. Payments for operating expenses to Ontario hereunder will be made in arrears. Ontario will submit a detailed and properly documented invoice for reimbursement not more often than monthly, which invoice will include: (i) a description of the work performed; and (ii) a detailed accounting of costs incurred.

   c. Payments for capital expenses, including but not limited to vehicles, may be requested in advance, upon presentation of a valid vendor invoice for such purchases

   d. Ontario will be notified within ten (10) business days following receipt of its invoice by Omnitrans of any circumstances or data in Ontario's invoice that would cause withholding of approval and subsequent payment. Ontario's invoice will include documentation of reimbursable expenses and billed items sufficient for Omnitrans, in its opinion, to substantiate billings. Omnitrans reserves the right to withhold payment of disputed amounts.

e. At no time shall payments from Omnitrans be used to supplant any existing funding source for Ontario's. Ontario shall notify Omnitrans of any potential loss of funding for the existing Ontario services within ten (10) business days of learning of the funding loss.

Progress Reports: Ontario will provide Omnitrans with monthly Project Milestones updates on the Ontario Silver S.T.A.R.S.

5. Ontario Silver S.T.A.R.S. Project, as set forth in Exhibit A. In cooperation with Omnitrans, Ontario shall develop national ridership data reporting mechanisms sufficient for reporting as part of the NTD (National Transit Database) reporting system and shall provide such data to Omnitrans monthly.

6. Advisory Committee Participation: Ontario shall attend and participate in advisory committee meetings, as mutually agreed upon by Omnitrans and the San Bernardino County Transportation Authority.

7. Compliance with Laws: Ontario will comply with all applicable federal, state, and local laws, codes, ordinances, regulations, orders, circulars, and directives, including, without limitation: (i) all regulatory requirements associated with the funding provided to the Ontario for this Project; (ii) all disability laws; and (iii) non-discrimination and equal opportunity laws. Any failure by Ontario to comply with such laws may result in the termination of this Agreement or such other remedy as Omnitrans deems appropriate.

8. Independent Contractor: Ontario, and the agents and employees of Ontario, in the performance of this Agreement, will act as and be independent contractors, and not officers, employees, or agents of Omnitrans. Ontario, its officers, employees, agents, and contractors, if any, will have no power to bind or commit Omnitrans to any decision or course of action, and will not represent to any person or business that they have such power. Ontario has and will retain the right to exercise full control of the supervision of the Ontario Project, and over the employment, direction, compensation, and discharge of all persons assisting in the performance of the work funded by this Agreement. Ontario will be solely responsible for all matters relating to the payment of its employees and contractors, including but not limited to, compliance with all laws, statutes, and regulations governing such matters.

9. Termination:

a. Omnitrans may terminate this Agreement for cause by giving Ontario a notice of default and intention to terminate the Agreement ("Termination Notice"). The notice will be deemed served and effective for all purposes on the date it is deposited in the

U.S. mail, certified, return receipt requested, addressed to Ontario at the address indicated in Section 20 below.

b. Upon receipt of a Termination Notice, Ontario shall have 30 days in which to cure the stated violation(s) and to provide Omnitrans with sufficient evidence that the violations have been cured. If Ontario has not cured within 30 days of such notice or has not provided sufficient evidence of such to Omnitrans, the Agreement shall be terminated, effective immediately.

c. Omnitrans may also terminate this Agreement in the event of Measure I or federal grant funding shortfall, upon 15 days written notice. Such notice will be served and effective as set forth in Subsection 9.a., herein.

d. Omnitrans may also terminate this Agreement in the event of a funding shortfall for Ontario's Silver S.T.A.R.S. Project Program or the failure to provide notice to Omnitrans of such funding shortfall, as required pursuant to section 4.e. In the event Ontario Silver S.T.A.R.S. Project fails to provide the notice required pursuant to section 4.e., Omnitrans is not required to give Ontario opportunity to cure such violation.

e. If Omnitrans issues a Termination Notice or terminates this Agreement due to a funding shortfall, Omnitrans will reimburse Ontario for work actually performed up to the effective date of the Termination Notice, subject to the limitations in Section 4, and less any compensation to Omnitrans for damages suffered as a result of Ontario's failure to comply with the terms of this Agreement. <u>If program funding is discontinued by either Omnitrans or</u> Ontario <u>prior to a Measure I funded vehicle reaching the end of its useful life, at Omnitrans' sole discretion</u> Ontario <u>must either return the vehicle(s) to Omnitrans or reimburse Omnitrans for the fair market value of the vehicle(s).</u>

f. Ontario will have the right to terminate this Agreement in the event Omnitrans is unable to make required payments. In such event, Ontario will provide Omnitrans with seven (7) days of written notice of termination. The notice will be deemed served and effective on the date it is deposited in the U.S. mail, certified, return receipt requested, addressed to Omnitrans at the address indicated in Section 20. Omnitrans will make payment to Ontario through the date of termination, subject to the provisions of Section 4 above, and less any compensation to Omnitrans for damages suffered as a result of Ontario's failure to comply with the terms of this Agreement.

10. <u>Assignment</u>: The parties understand that Omnitrans entered into this Agreement based on the Ontario Silver S.T.A.R.S. Project proposed by Ontario. Therefore, without the prior express

written consent of Omnitrans, this Agreement is not assignable by Ontario either in whole or in part.

11. Binding Agreement: This Agreement will be binding on the parties hereto, their assigns, successors, administrators, executors, and other representatives.

12. Time: Time is of the essence in this Agreement and will follow the Project Milestones timeline set forth in Exhibit A, unless modified pursuant to Section 13.

13. Amendments: No alteration or variation of the terms of this Agreement will be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, will be binding on any of the parties hereto.

14. Contractors and Subcontractors: Ontario will be fully responsible for all work performed by its contractors and subcontractors. Omnitrans reserves the right to review and approve any contract or agreement to be funded in whole or in part using funds provided under this Agreement in excess of $25,000. Ontario shall incorporate the terms of this Agreement, including without limitation the indemnification and insurance provisions, into any subcontractor agreement funded by this Agreement.

15. Indemnification. Ontario shall defend, indemnify and hold Omnitrans, its directors, officials, officers, employees, agents and/or volunteers free and harmless from any and all liability from loss, damage, or injury to property or persons, including wrongful death, in any manner arising out of or incident to any acts, omissions or willful misconduct of Ontario or any of its directors, officials, officers, employees, agents, volunteers, or service providers arising out of or in connection with Ontario's performance of this Agreement, including, without limitation, the payment of consequential damages and attorneys' fees. Further, Ontario shall defend, at its own expense, including the payment of attorneys' fees, Omnitrans, its officials, officers, employees, agents and/or volunteers in any legal action based upon such acts, omissions or willful misconduct. Ontario shall reimburse Omnitrans, its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or enforcing the indemnity herein provided.

16. Insurance. Ontario shall require all contractors or consultants hired to perform work or services on the Project to obtain and require their sub-consultants and sub-contractors to obtain insurance of the PARTNER NAMEs and in the amounts described below and satisfactory to Omnitrans. Ontario may satisfy its insurance obligations herein through participation in a program of self-insurance. Such insurance shall be maintained throughout the term of this Agreement, or until completion of the Project, whichever occurs last. Upon request, Ontario will provide written certificates evidencing compliance to Omnitrans.

a. Commercial General Liability Insurance. Occurrence version commercial general liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Project or be no less than two times the occurrence limit. Such insurance shall:

b. Business Automobile Liability Insurance. Business automobile liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

c. Workers' Compensation Insurance. Workers' compensation insurance with statutory limits and employers' liability insurance with limits of not less than $1,000,000.00 each accident.

17. Audit: An independent auditor shall audit Ontario's use of Ontario Silver S.T.A.R.S. Project funds no less than annually. Ontario agrees to supply Omnitrans with a copy of any audit of Ontario Silver S.T.A.R.S. Project-related activities performed.

18. Retention and Inspection of Records

a. Ontario, including any contractors or subcontractors, will retain all driver training records and vehicle maintenance and safety records.

b. Omnitrans or its designee will have the right to review, obtain, copy, and audit all books, records, computer records, accounts, documentation and any other materials pertaining to performance of this Agreement (collectively "Records"), including any Records in the possession of any contractors or subcontractors. Ontario agrees to provide Omnitrans or its designees with any relevant information requested and will permit Omnitrans or its designees access to its premises, upon reasonable notice, during normal business hours, for the purpose of interviewing employees and inspecting and copying such Records for the purpose of determining compliance with any applicable federal and state laws and regulations.

c. Ontario further agrees to maintain all Ontario Silver S.T.A.R.S Project Records for a period of four (4) years after final payment under the Agreement or four (4) years from the conclusion or resolution of any and all audits or litigation relevant to this Agreement and any amendments, whichever is later. If so directed by Omnitrans upon expiration of this Agreement, Ontario will cause all Records relevant to the Project to be delivered to Omnitrans as depository.

19. Signs: Ontario will include the Omnitrans logo and/or Measure I signage on Project related marketing materials and on vehicles operated with Omnitrans funding, including:

a. Vehicles purchased or operated with Measure I funds shall display signs clearly visible to riders indicating the vehicle is funded in part through Measure I funding.

b. Signage must conform with approved Measure I signage and be approved by Omnitrans.

20. Notices. All notices hereunder shall be in writing and shall be effective upon receipt. All notices and communications, including invoices, between the Parties to this Agreement shall be either personally delivered, sent by first-class mail, return receipt requested, or sent by overnight express delivery service, postage or other charges fully prepaid, as follows:

:

TO City of Ontario:
303 E. B st
Ontario, Ca. 91764

To

Omnitrans
1700 West Fifth Street
San Bernardino, CA 92411
ATTN: Director Strategic Development

21. Waivers: No waiver of any breach of this Agreement will be held to be a waiver of any prior or subsequent breach. The failure of Omnitrans to enforce at any time the provisions of this Agreement or to require at any time performance by Ontario of these provisions, will in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of Omnitrans to enforce these provisions.

22. Litigation: Ontario will notify Omnitrans immediately of any claim or action undertaken by it or against it that affects or may affect this Agreement or Omnitrans and will take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of Omnitrans.

23. Non-Liability of Omnitrans: Omnitrans shall not be liable to Ontario or any third party for any claim for loss of profits or consequential damages. Further, Omnitrans shall not be liable to Ontario or any third party for any loss, cost, claim or damage, either direct or consequential, allegedly arising from a delay in performance or failure to perform under this Agreement. There are no third-party beneficiaries to this Agreement

24. Costs and Attorneys' Fees: If either party commences any legal action against the other party arising out of this Agreement or the performance thereof, the prevailing party in such action may recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and reasonable attorneys' fees.

25. Governing Law and Choice of Forum: This Agreement will be administered and interpreted under California law as if written by both parties. Any litigation arising from this Agreement will be brought in the Superior Court of San Bernardino County.

26. Integration: This Agreement represents the entire understanding of Omnitrans and Ontario as to those matters contained herein and supersedes all prior negotiations, representations, or agreements, both written and oral. This Agreement may not be modified or altered except in accordance with Section 13.

27. Severability: If any term or provision of this Agreement or the application thereof to any person or circumstance will, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is invalid or unenforceable, will not be affected thereby, and each term and provision of this Agreement will be valid and will be enforced to the fullest extent permitted by law, unless the exclusion of such term or provision, or the application of such term or provision, would result in such a material change so as to cause completion of the obligations contemplated herein to be unreasonable.

28. Headings: The headings of the various sections of this Agreement are intended solely for convenience of reference and are not intended to explain, modify, or place any interpretation upon any of the provisions of this Agreement.

29. Authority: Each person signing this Agreement on behalf of a party hereby certifies, represents, and warrants that he or she has the authority to bind that party to the terms and conditions of this Agreement.

30. Ownership; Permission: Omnitrans represents and warrants that all materials used in the performance of the Project work, including, without limitation, all computer software materials and all written materials, are either produced or owned by Ontario or that all required permissions and license agreements have been obtained and paid for by Ontario. Ontario will defend, indemnify and hold harmless Omnitrans and its directors, officers, employees, and agents from any claim, loss, damage, cost, liability, or expense to the extent of any violation or falsity of the foregoing representation and warranty.

31. Counterparts: This Agreement may be executed in multiple counterparts, each of which will constitute an original, and all of which taken together will constitute one and the same instrument.

32. Press Releases: Ontario will obtain Omnitrans' prior written approval of any press releases, or other public outreach materials, that include any reference to Omnitrans or depiction of the Omnitrans logo.

IN WITNESS WHEREOF, the PARTIES hereto have executed this Agreement, as of the date first appearing above.

By:

_____	_____
Erin Rogers	Name: Title: Partner Name:
CEO/General Manager Omnitrans	
Approved as to form:	
_____	_____
Omnitrans Legal Counsel	Legal Counsel of City of Ontario

EXHIBIT A

Project Narrative

A. Please provide a narrative to describe your transportation project. Describe the purpose of the project, type of service to be provided, roles and responsibilities of project staff and days and hours of operation. This response should provide the evaluators with a detailed explanation of how your project will operate.

Silver S.T.A.R.S. (Senior Transportation and Recreation Shuttle) has been operating since 2023, when the City of Ontario Recreation and Community Services Department took over transportation services once provided by the YMCA. The City of Ontario assumed operations to avoid a disruption in services.

The City of Ontario has approximately 18,000 seniors over the age of 65, with 2,000 of them living in poverty. Adequate and affordable transportation services that meet the specific needs and schedules of our senior community were lacking. Although not all seniors require a transportation service, Silver S.T.A.R.S. was designed specifically for those who do. The purpose of the Silver S.T.A.R.S. transportation program is to offer safe, reliable, affordable transportation that meets the individual needs of the riders. The City of Ontario Recreation and Community Services Department recognizes that with proper, reliable, and inclusive transportation, the quality of life for older adults and individuals with disabilities is improved. Our senior and disabled community remain active participants in the community and maintain a level of independence.

Silver S.T.A.R.S. is a free curb-to-curb service for Ontario residents 62 and older or 55 and older with a disability. Silver S.T.A.R.S. currently operates Monday through Friday from 8 a.m. – 4:30 p.m. regularly. Rides outside of normal operating hours are available upon advance scheduling. Redes to and from recreation, library, and museum events are available on Saturdays when needed.

Silver S.T.A.R.S. offers regular subscription rides from home to the Ontario Senior Center and back, providing riders with a set schedule that allows them to participate in programs, activities, and services at the Ontario Senior Center. Additionally, on-demand rides are available for riders who need transportation to medical appointments, grocery stores, banks, social engagements, and other essential services. Riders requiring on-demand rides must call at least 24 hours in advance of the scheduled ride. If drivers' schedules allow, rides may be scheduled with less advance notice. Silver S.T.A.R.S. staff utilizes TripMaster software to schedule rides.

EXHIBIT B

Project Budget

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**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: 11

SUBJECT: **AMENDMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE 20/20 NETWORK FOR STRATEGIC COMMUNICATIONS AND PUBLIC AFFAIRS CONSULTING**

RECOMMENDATION: That the City Council approve and authorize the City Manager, or designee, to execute Amendment No. 3 to the Professional Services Agreement with Lambert 20/20 Communications, Inc., dba The 20/20 Network, of Claremont, California, for strategic communications and public affairs consulting services, in the amount of $60,000, for a revised total not-to-exceed contract amount of $352,000, and to extend the term through June 30, 2027.

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

FISCAL IMPACT: The Fiscal Year 2026-27 Proposed Budget includes appropriations in the General Fund for strategic communications and public affairs consulting services. The proposed Amendment No. 3 will increase the authorized contract amount of $292,000 by $60,000, for a new total not-to-exceed contract amount of $352,000.

BACKGROUND & ANALYSIS: On August 23, 2021, the City entered into a Professional Services Agreement with The 20/20 Network for strategic communications and public affairs consulting. On August 18, 2022, the City Council approved Amendment No.1, increasing the not-to-exceed amount to $232,000 and extending the term by one year. On April 1, 2025, the City Council approved Amendment No. 2, adding $60,000 for a total not-to-exceed amount of $292,000 and extending the term through June 30, 2026.

Over the course of this partnership, The 20/20 Network has become embedded in the City's communications efforts. The 20/20 Network understands the City's organizational culture, Council priorities, and the communities it serves, supporting Ontario's commitment to transparency, inclusion, and proactive engagement. This institutional knowledge, built over five years, would be difficult to replicate, and transitioning to a new firm at this stage would disrupt programs that are

currently performing effectively.

The 20/20 Network has consistently demonstrated expertise in facilitating successful community outreach initiatives. As the City's communication and outreach needs continue to evolve, maintaining this partnership remains important. Staff recommends increasing the total authorized contract amount and extending the contract term for an additional year to continue this partnership and maintain the quality of public engagement that Ontario residents and stakeholders rely on.

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. 3 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND LAMBERT 20/20 COMMUNICATIONS, INC., DBA THE 20/20 NETWORK

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 Lambert 20/20 Communications, Inc., dba The 20/20 Network, a Corporation ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Consultant have entered into an agreement entitled "Professional Services Agreement" dated July 1, 2021 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to extend the term from June 30, 2026, to June 30, 2027, and increase the compensation by $60,000 for a new total not-to-exceed amount of $352,000.

2.3 Amendment Authority. This Amendment No. 3 is authorized pursuant to Section 3.1 of the Agreement.

3. Terms.

3.1 Amendment. Section 3 of the Agreement is hereby amended in its entirety to read as follows:

> 3.1.2 Term. The term of this Agreement shall be from July 1, 2021 to June 30, 2027, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2.2 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Three-Hundred Fifty-Two Thousand Dollars ($352,000)** total, without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement. "

3.2 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 PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND LAMBERT 20/20 COMMUNICATIONS, INC., DBA THE 20/20 NETWORK

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

THE 20/20 NETWORK

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Information Technology Prepared By: Samantha Robles Staff Member Presenting: Colin Fernandes, Executive Director Information Technology Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 12

SUBJECT: A RENEWAL WITH SUITEBRIAR, INC, FOR THE ASANA SOFTWARE ENTERPRISE MODULE

RECOMMENDATION: That the City Council approve and authorize the City Manager, or his designee, to execute the renewal with Suitebriar, of Herdon, Virginia, for the use of the Asana Enterprise module in the amount of $496,125, for a total contract amount not to exceed $922,261 for a three-year term.

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

FISCAL IMPACT: The Fiscal Year 2025-26 Adopted Budget includes appropriations from the Information Technology Fund for annual subscriptions for the Asana Enterprise module. The proposed annual renewal cost with Suitebriar, Inc., is $165,375, for a total contract amount not to exceed $922,261 over a three-year term. The fixed billing rates specified in the current Agreement will determine the amount charged for services and reflect the actual services provided. If approved, appropriations will be included in future Fiscal Year Proposed Budgets consistent with the annual adoption process.

BACKGROUND & ANALYSIS: In June 2023, the City of Ontario adopted Asana Enterprise to modernize project management and enhance collaboration. Previously, departments relied on spreadsheets, emails, and separate tracking systems, which limited visibility and efficiency. Asana is now an essential citywide tool for project tracking and contract management. It has improved collaboration by simplifying project communication and visibility.

Asana started with about 100 users and has grown to 348 as more City departments integrate it into daily operations. This growth demonstrates the tool's value in supporting daily operations and strategic initiatives. Departments increasingly rely on Asana to coordinate work and reduce administrative overhead.

Given Asana Enterprise's ongoing benefits, Staff requests that the City approve the three-year renewal for a contract amount not-to-exceed of $922,261.

CUSTOMER ORDER FORM

This Order Form Addendum (referred to herein as this "Addendum") describes the relationship between Suitebriar, Inc., having an office at 13800 Coppermine Road, Herndon, VA 20171 ("Suitebriar") and the customer identified below ("Customer"). This Addendum will become effective as of the date when this Addendum is executed by authorized representatives of both parties (the "Effective Date").

CUSTOMER INFORMATION

Recipient: Leslie Huerta

Email: LHuerta@ontarioca.gov

Organization/Company Name: City of Ontario

Primary Google Workspace Domain: ontarioca.gov

Address: 303 East B Street, Ontario, CA 91764, USA

Phone: +1 909-395-2745

TERM, PRODUCTS AND SERVICES, AND FEES:

Term: This Addendum is issued under the Customer Order Form ("Order") dated June 6, 2023 and forms a part of the Order. By signing this Addendum, each party represents and warrants that (a) it has read and understands the Order and agrees to be bound by the terms of the Order, and (b) it has full power and authority to accept the Agreement.

Products, Services and Fees:

By entering into this Order, Customer hereby agrees to pay the amounts payable for the third-party products (the "**Products**") and Suitebriar services (the "**Services**") selected below.

Products					
Line No.	**Quantity**	**Product SKU**	**Price Per Unit**	**Billing Date**	**Annual Subtotal**
1	350	Asana Enterprise	$472.50 / year	06/23/2026	$165,375.00
			Year 1 Total		$165,375.00
			Year 2 Total		$165,375.00
			Year 3 Total		$165,375.00
			Total Charges for 36 Month Contract		$496,125.00

Order Type: Renewal

Payment Option: Annual

Comments & Special Instructions: Annual/Fixed-Term Plan - license commitment cannot be reduced until renewal date. Billing commences from the date of activation of the licenses. Asana Supported provide at no cost via helpdesk@suitebriar.com or by 877.899.1159

*Third-Party Terms apply to the Asana Product: Terms & Privacy

Note: The fees set forth above do not include any applicable taxes that may be due and payable by Customer. All amounts invoiced by Suitebriar to Customer hereunder shall be payable by Customer within thirty (30) days of the date of such invoice. Accepted form of payment is ACH or check. Credit Card not accepted.

ADDITIONAL TERMS:

Configuration Services. In the event that Configuration Services are selected on this Order, the parties shall work together in good faith to deploy and configure the Products for Customer and its authorized users, including without limitation, providing reasonable configuration, implementation, project management and training relating to the Products. Customer will provide any and all necessary information and assistance to Suitebriar, including without limitation access to Customer's facilities, hardware and equipment, as reasonably requested by Suitebriar in order to facilitate the performance of the Configuration Services.

Indemnification. Customer agrees to indemnify, defend, and hold Suitebriar and its respective officers, directors, employees and representatives (and all successors and assigns of any of the foregoing), harmless from and against any claims, demands, losses, damages, penalties, fines, awards, costs and expenses (including without limitation, reasonable attorneys' fees), arising out of Customer's breach of this Order or use of the Products. Suitebriar reserves the right to assume the exclusive defense and control of such disputes, and Customer will cooperate with Suitebriar in asserting any available defenses.

Disclaimer. EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN THE APPLICABLE THIRD-PARTY TERMS, THE PRODUCTS, SERVICES, AND ALL INFORMATION AND MATERIALS PROVIDED BY SUITEBRIAR ARE PROVIDED "AS IS," "AS AVAILABLE," AND "WITH ALL FAULTS," AND SUITEBRIAR MAKES NO WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND HEREBY SPECIFICALLY DISCLAIMS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, RESULTS, WORKMANLIKE EFFORT, COURSE OF DEALING, AND TITLE. EXCEPT AS EXPRESSLY SET FORTH HEREIN, SUITEBRIAR DOES NOT WARRANT THAT THE PRODUCTS OR SERVICES WILL BE UNINTERRUPTED, TIMELY, SECURE, ERROR-FREE, OR VIRUS FREE. THE PRODUCTS AND SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET, TELEPHONIC AND ELECTRONIC COMMUNICATIONS. SUITEBRIAR SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY DAMAGE OR LOSS OF DATA, EXCEPT SOLELY TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUITEBRIAR. CUSTOMER SHALL MAINTAIN A PROCEDURE EXTERNAL TO THE PRODUCTS AND SERVICES FOR THE RECONSTRUCTION OF LOST, DAMAGED, OR ALTERED DATA PROVIDED BY OR ON BEHALF OF CUSTOMER. FAILURE TO DO SO SHALL BE AT CUSTOMER'S SOLE RISK AND COST.

Limitation of Liability. IN NO EVENT SHALL SUITEBRIAR HAVE ANY LIABILITY TO CUSTOMER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES HOWEVER CAUSED AND, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY EVEN IF SUITEBRIAR IS ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN NO EVENT SHALL SUITEBRIAR'S TOTAL AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS ORDER, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, AND WHETHER BASED ON ONE CLAIM OR MULTIPLE CLAIMS, EXCEED THE AMOUNTS ACTUALLY PAID BY CUSTOMER UNDER THIS ORDER IN THE SIX (6) MONTH PERIOD PRECEDING SUCH CLAIM OR ACTION. CUSTOMER IS SOLELY RESPONSIBLE FOR ITS COMPLIANCE WITH THE THIRD-PARTY TERMS. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ORDER, IN NO EVENT SHALL SUITEBRIAR HAVE ANY LIABILITY IN CONNECTION WITH CUSTOMER'S USE OF THE PRODUCTS OR IN CONNECTION WITH THE THIRD-PARTY TERMS. SUITEBRIAR DOES NOT WARRANT, ENDORSE, GUARANTEE OR ASSUME RESPONSIBILITY FOR THE ACTS OR OMISSIONS OF THE LICENSOR OF THE PRODUCTS (THE "**THIRD-PARTY LICENSOR**"), AND SUITEBRIAR WILL NOT BE A PARTY TO OR IN ANY WAY BE RESPONSIBLE FOR ANY AGREEMENT OR RELATIONSHIP BETWEEN CUSTOMER AND THE THIRD-PARTY LICENSOR.

Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than $2,000,000 per occurrence and no less than $4,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement

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

Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than $1,000,000 per accident for bodily injury and disease. Workers**'** Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights **of** subrogation against the City, its officials, officers, employees, agents, and volunteers.

Termination. Suitebriar may terminate this Order for cause in the event of any breach by Customer of this Order or the Third-Party Terms applicable to the Products selected by Customer under this Order (the "**Third-Party Terms**") unless Customer cures such breach within ten (10) days of notice of such breach.

Customer Reference. Suitebriar may refer to you as a customer in sales presentations, marketing vehicles and activities.

Governing Law. This Order shall be governed exclusively by the internal laws of the State of Virginia without regard to its conflicts of laws rules. Each party irrevocably consents to the exclusive jurisdiction of the federal and state courts of Fairfax County, Virginia in connection with any action arising under this Order and agrees that all such actions shall be exclusively commenced therein, and waives any right it may have to initiate, transfer or change the venue of any litigation brought against it by the other party.

Entire Agreement. This Order constitutes the entire agreement between the parties, and supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Order shall be effective unless in writing and signed by the party against whom the modification, amendment or waiver is to be asserted.

[Signature page(s) follow]

IN WITNESS WHEREOF, the parties' authorized signatories have duly executed this Order effective as of the Effective Date:

SUITEBRIAR, INC.

By:

Print Name: Christopher Jones

Title: CEO

Date:

CITY OF ONTARIO

By:

Print Name:

Title:

Date:

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Information Technology Prepared By: Samantha Robles Staff Member Presenting: Colin Fernandes, Executive Director Information Technology Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 13

SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR DATA CONSULTING AND IMPLEMENTATION SERVICES WITH RESULTANT, LLC.

RECOMMENDATION: That the City Council authorize the City Manager or his designee, to execute Amendment No. 1 to the Professional Services Agreement with Resultant, LLC of Indianapolis, Indiana, increasing the authorized contract amount by $200,000 for a total contract amount not to exceed $500,000 and an additional two-year term.

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

FISCAL IMPACT: The Fiscal Year 2025-26 Adopted Budget includes appropriations from the Information Technology Fund for consulting services. The proposed Amendment No. 1 to the Professional Services Agreement increases compensation by $200,000, for a total contract amount not to exceed $500,000, and adds an additional two-year term. Actual expenditures will be based on services rendered and pursuant based on the fixed billing rates set forth in the Agreement. If approved, appropriations will be added to the future years' budgets consistent with the annual adoption process.

BACKGROUND & ANALYSIS: The City has engaged Resultant since July 2023 to support the development of the City's enterprise data strategy initiative, with an initial focus on data governance. Through this work, Resultant assisted the City in assessing existing data practices, developing governance frameworks, and identifying opportunities to improve data quality, consistency, accessibility, and management across departments.

The proposed contract renewal will allow the City to continue advancing its data strategy efforts through the next phase of implementation. Services will include support for self-service analytics, data standardization, enterprise reporting, and preparation of City data assets for future artificial intelligence (AI) and advanced analytics initiatives.

Renewing the agreement will provide continuity of services and allow the City to build upon the foundational work already completed to support data-informed decision-making and operational efficiency across the organization. Staff requests City Council approval for a contract not-to-exceed amount of $500,000 and an additional two-year term.

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 RESULTANT, LLC

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 Resultant, a Limited Liability ("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 July 12, 2023 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to extend the terms and increase the compensation.

2.3 Amendment Authority. This Amendment No. 1 is authorized pursuant to Section 3.1.2 Term and Section 3.2.1 Compensation of the Agreement.

3. Terms.

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

> " The term of this Agreement shall be from July 1, 2023, to June 30, 2028, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services."

Section 3.2.1 Compensation of the Agreement is hereby amended in its entirety to read as follows:

> "Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed five hundred thousand dollars ($500,000) without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement."

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

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 1.

3.4 Severability. If any portion of this Amendment No. 1 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

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

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND RESULTANT, LLC.

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

RESULTANT, LLC

By: _____

Its: _____

Printed Name: _____

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: David Zurita Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Andrea Ampig, Khoi Do, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 14

SUBJECT: **A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY, AND FINAL PARCEL MAP NO. 20526 LOCATED ON THE SOUTHEAST CORNER OF MISSION BOULEVARD AND SULTANA AVENUE**

RECOMMENDATION: That the City Council adopt a Resolution approving an Improvement Agreement, Improvement Security, and Final Parcel Map No. 20526, located on the southeast corner of Mission Boulevard and Sultana Avenue.

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

FISCAL IMPACT: There is not a direct fiscal impact associated with this action. All public infrastructure improvements required for this project will be constructed by the Developer at its sole cost.

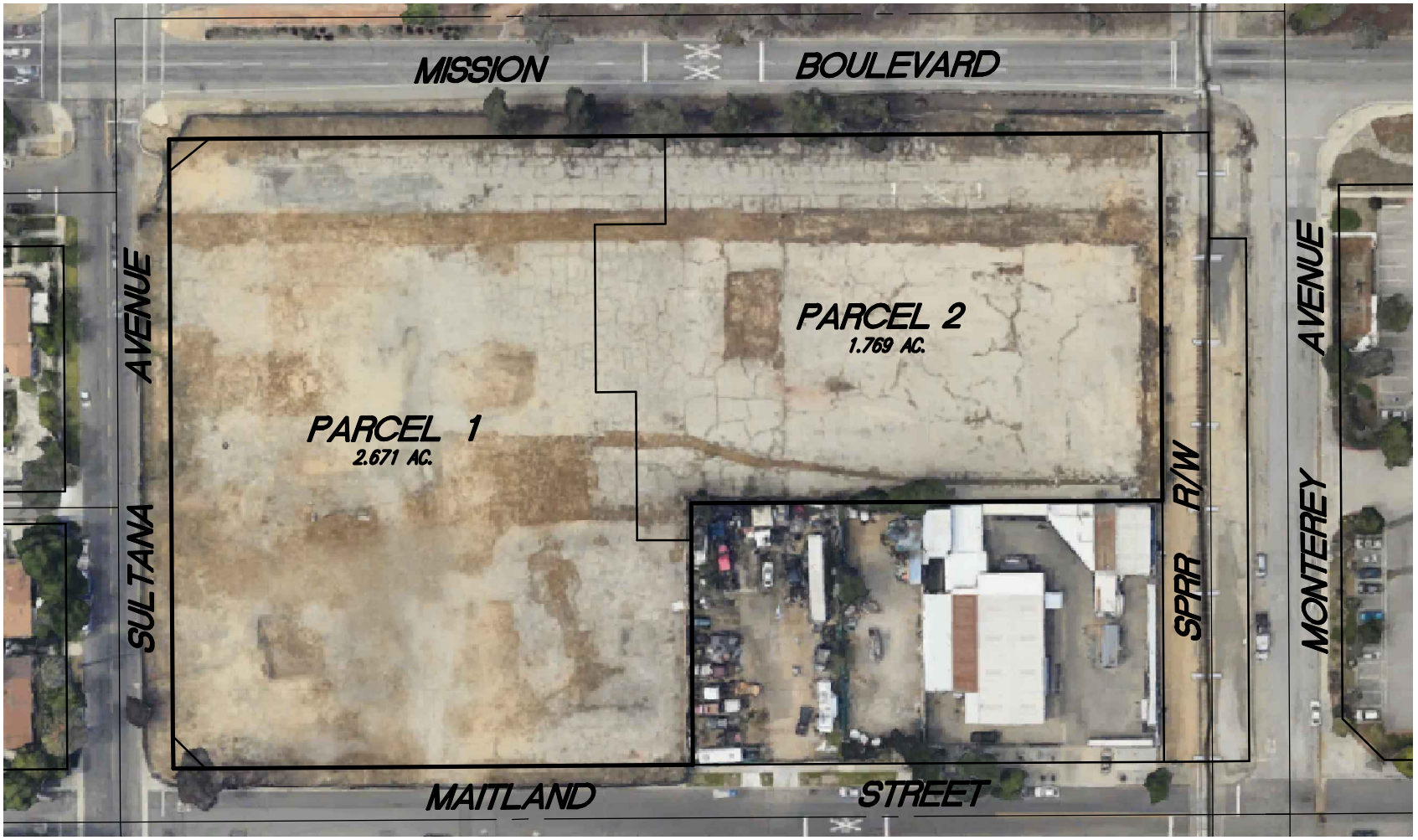
BACKGROUND & ANALYSIS: Mission APG, LLC ("Developer") has submitted Final Parcel Map No. 20526, consisting of 2 numbered lots on 4.4 acres of land, as shown on Exhibit A. Tentative Parcel Map No. 20526 was approved by the Planning Commission on June 27, 2023.

The Final Parcel Map improvements will include streets, sewer laterals, water services, storm drain, fiber optic conduits, and parkway landscape with irrigation. All landscape improvements will be consistent with the City's Landscape Development Guidelines and the Model Water Efficiency Landscape Ordinance.

The Developer has entered into an Improvement Agreement with the City for Final Parcel Map No. 20526 and posted adequate security to ensure construction of the required improvements. This map meets all conditions of the Subdivision Map Act and the Ontario Municipal Code and has been reviewed and approved by the City Engineer.

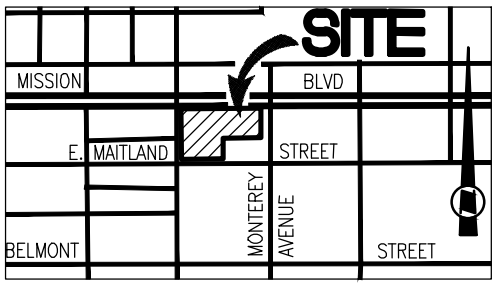
SCALE: 1"=100'

EXHIBIT A
PM 20526



VICINITY MAP

N.T.S.



PREPARED BY:
Thienes Engineering, Inc.
CIVIL ENGINEERING • LAND SURVEYING
14349 FIRESTONE BOULEVARD
LA MIRADA, CALIFORNIA 90638
PH.(714)521-4811 FAX(714)521-4173

CITY OF ONTARIO
ENGINEERING DEPARTMENT

FILE NO. PM - 20526

APPLICANT: ALERE LLC
PROJECT: PARCEL MAP NO. 20526

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 20526 LOCATED ON SOUTHEAST CORNER OF MISSION BOULEVARD AND SULTANA AVENUE.

WHEREAS, Tentative Parcel Map No. 20526, submitted by Mission APG LLC, was approved by the Planning Commission of the City of Ontario on June 27, 2023; and

WHEREAS, Tentative Parcel Map No. 20526 consists of 2 numbered lots, in the City of Ontario, County of San Bernardino, State of California, being a Subdivision of Lot A of Certificate approving a Lot Line Adjustment LL96-29, recorded Match 11, 1997 as Document No. 19970084068 of Official Record and portions of Lots 5 and 6, of Block 135 of Villa Plots South-side Tract, as per map recorded in Book 6, Page 11, of maps, together with portion of Carlton Street as vacated by Resolution No. 97-074, recorded September 22, 1997 as Document No. 19970347853 of Official Records, all in the Office of the County Recorder of said county; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Parcel Map No. 20526, Mission APG LLC. has offered the Improvement Agreement together with good and sufficient improvement security, in conformance with the City Attorney's approved format, for approval and execution by the City; and

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

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

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

3. That Final Parcel Map No. 20526 be approved and that the City Clerk be authorized to execute the statement thereon on behalf of said City.

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

PASSED, APPROVED, AND ADOPTED this 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

_____
BEST, BEST & KREIGER, LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:

City of Ontario
303 East "B" Street
Ontario, CA 91764
Attn: City Engineer

(Exempt from Filing Fees – Government Code § 6103)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBDIVISION IMPROVEMENT AGREEMENT

FOR COMPLETION OF PUBLIC IMPROVEMENTS

PARCEL MAP NO. 20526

between

THE CITY OF ONTARIO

a California municipal corporation

and

MISSION APG LLC,

a Delaware limited liability company

SUBDIVISION IMPROVEMENT AGREEMENT
FOR COMPLETION OF PUBLIC IMPROVEMENTS

PARCEL MAP NO. 20526

I. PARTIES AND DATE

This Subdivision Improvement Agreement for the Completion of Public Improvements ("Agreement") is entered into as of this 1st day of April, 2026, by and between the City of Ontario, a California municipal corporation ("City") and **MISSION APG LLC, a Delaware limited liability company**, with its principal office located at 100 Bayview Circle, Suite 6000, Newport Beach CA 92660 ("Developer"). City and Developer are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

II. RECITALS

A. Developer's tentative parcel map for real property located within City, a legal description of which is attached hereto as Exhibit "A" ("Property"), was conditionally approved by the Ontario Planning Commission June 27th, 2023. The tentative parcel map is identified in City records as Parcel Map No. 20526 ("Map").

B. Developer has not completed all of the work or made all of the public improvements required by the City's Municipal Code, the Subdivision Map Act (California Government Code section 66410, *et seq.*) ("Map Act"), the conditions of approval for the Map, or other ordinances, resolutions, or policies of City requiring construction of improvements in conjunction with the subdivision of land.

C. Pursuant to the City's Municipal Code and the applicable provisions of the Map Act, Developer and City enter into this Agreement for the timely construction and completion of the public improvements and the furnishing of the security therefor, acceptable to the City Engineer and City Attorney, for the Map.

D. Developer's execution of this Agreement and the provision of the security are made in consideration of City's approval of the final Map for the Property.

III. TERMS

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

1.1 Definitions. For purposes of enforcing this Agreement, the term "City" shall include, but shall not be limited to, City Council, Public Works Director, City Engineer, Community Development Director, Building Official, or any of their authorized representatives. City shall have the sole and absolute discretion to determine which public body, public official, or public employee may act on behalf of City for any particular purpose.

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

2.1 Prior Partial Construction of Public Improvements. Where construction of any Public Improvements has been partially completed prior to the execution of this Agreement, Developer agrees to complete such Public Improvements or assure their completion in accordance with this Agreement.

2.2 Permits; Notices; Utility Statements. Prior to commencing any work, Developer shall, at its sole cost, expense, and liability, obtain all necessary permits and licenses and give all necessary and incidental notices required for the lawful construction of the Public Improvements and performance of Developer's obligations under this Agreement. Developer shall conduct the work in full compliance with the regulations, rules, and other requirements contained in any permit or license issued to Developer. Prior to commencing any work, Developer shall file a written statement with the City Clerk and the City Engineer, signed by Developer and each utility that will provide utility service to the Property, attesting that Developer has made all deposits legally required by the utility for the extension and provision of utility service to the Property.

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

2.4 Quality of Work; Compliance With Laws and Codes. The construction plans and specifications for the Public Improvements shall be prepared in accordance with all

applicable federal, state, and local laws, ordinances, regulations, codes, standards, and other requirements. The Public Improvements shall be completed in accordance with all approved maps, conditions, plans, specifications, standard drawings, and special amendments thereto on file with City, as well as all applicable federal, state, and local laws, ordinances, regulations, codes, standards, and other requirements applicable at the time work is actually commenced.

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

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

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

Developer shall, at all times, enforce strict discipline and good order among its employees and those of its subcontractors and shall not employ any unfit person or anyone not skilled in the

assigned task. If any person employed by, the Developer, a contractor or subcontractor fails or refuses to carry out the directions of the City or appears to the City, in its sole and absolute discretion, to be incompetent or to act in a disorderly or improper manner, such person shall be removed from the project immediately upon request by the City, and such person shall not again be employed on the work. Such removal shall not be the basis for any claim of compensation or damages against the City.

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

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

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

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

4.0 Construction Schedule. Unless extended pursuant to Section 4.1 of this Agreement, Developer shall fully and adequately complete or have completed the Public Improvements within twelve (12) months following approval of the final Map. At least fifteen (15) days prior to the commencement of such work, Developer shall notify the City Engineer in writing of the date fixed by Developer for commencement of the work.

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

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

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

6.0 Encroachment Permit. Developer shall obtain any necessary encroachment permits from the office of the City Engineer prior to start of any work within the public rights-of-way, and the Developer shall conduct such work in full compliance with the regulations and other requirements contained therein. The Developer shall be responsible for the removal of all loose rock and other debris from the public rights-of-way resulting from work done on adjacent property

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

7.0 Utilities. Developer shall assume all costs for and shall provide utility services, including water, power, gas, and telephone service to serve each parcel, lot, or unit of land within the Property in accordance with all applicable federal, state, and local laws, rules, and regulations, including, but not limited to, the regulations, schedules, and fees of the utilities or agencies providing such services. Except for commercial or industrial properties, Developer shall also provide cable television facilities to serve each parcel, lot, or unit of land in accordance with all applicable federal, state, and local laws, rules, and regulations, including, but not limited to, the requirements of the cable company possessing a valid franchise with City to provide such service within City's jurisdictional limits. All utilities shall be installed underground, unless otherwise approved by the City Council or the Planning Commission of the City, or by any other state or federal laws or regulations.

8.0 Fees and Charges. Developer shall, at its sole cost, expense, and liability, pay all fees, charges, and taxes arising out of construction of the Public Improvements, including, but not limited to fees for the checking, filing, and processing of improvement plans and specifications and for inspecting the construction of the Public Improvements. These fees must be paid in full prior to approval of the final map and improvement plans. The fees referred to above are not necessarily the only City fees, charges, or other costs that have been or will be imposed on the subdivision and its development, and this Agreement shall in no way exonerate or relieve Developer from paying such other applicable fees, charges, and/or costs.

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

10.0 Acceptance of Improvements; As-Built or Record Drawings. If the Public Improvements are properly completed by Developer and approved by the City Engineer, and if they comply with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements, the City Council shall be authorized to accept the Public Improvements. The City Council may, in its sole and absolute discretion, accept fully completed portions of the Public Improvements prior to such time as all of the Public Improvements are complete, which shall not release or modify Developer's obligation to complete the remainder of the Public Improvements within the time required by this Agreement. Upon the total or partial

acceptance of the Public Improvements by City, the City Clerk shall file with the Recorder's Office of the County of San Bernardino, a notice of completion for the accepted Public Improvements in accordance with California Civil Code Section 9204, at which time the accepted Public Improvements shall become the sole and exclusive property of City without payment therefor. Title to and ownership of the Public Improvements constructed under this Agreement shall vest absolutely in City upon completion and acceptance in writing of such Public Improvements by City. Issuance by City of occupancy permits for any buildings or structures located on the Property shall not be construed in any manner to constitute City's acceptance or approval of any Public Improvements. Notwithstanding the foregoing, City may not accept any Public Improvements unless and until Developer provides one (1) set of "as-built" or record drawings or plans to the City Engineer for all such Public Improvements. The drawings shall be certified and shall reflect the condition of the Public Improvements as constructed, with all changes incorporated therein.

11.0 Default; Notice; Remedies.

11.1 Notice. If Developer neglects, refuses, or fails to fulfill or timely complete any obligation, term, or condition of this Agreement, or if City determines there is a violation of any federal, state, or local law, ordinance, regulation, code, standard, or other requirement, City may at any time thereafter declare Developer to be in default or violation of this Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation ("Notice"). Developer shall substantially commence the work required to remedy the default or violation within ten (10) days of the Notice. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, City may provide the Notice verbally, and Developer shall substantially commence the required work within twenty-four (24) hours thereof. Immediately upon City's issuance of the Notice, Developer and its surety shall be liable to City for all costs of construction and installation of the Public Improvements and all other administrative costs and expenses.

11.2 Failure to Remedy; City Action. If the work required to remedy the noticed default or violation is not diligently prosecuted to a completion acceptable to City within the time frame contained in the Notice, City may complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity as in its sole and absolute discretion it believes is required to remedy the default or violation. All such work or remedial activity shall be at the sole and absolute cost, expense, and liability of Developer and its surety, without the necessity of giving any further notice to Developer or surety. City's right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any, or none, of the required or agreed upon Public Improvements at the time of City's demand for performance. In the event City elects to complete or arrange for completion of the remaining work and improvements, City may require all work by Developer or its surety to cease in order to allow adequate coordination by City. Notwithstanding the foregoing, if conditions precedent for reversion to acreage can be met and if the interests of City will not be prejudiced thereby, City may also process a reversion to acreage and thereafter recover from Developer or its surety the full cost and expense incurred.

11.3 Notice of Violation; Stop Work Order. If City determines that there is a violation of applicable federal, state or local laws, ordinances, regulations or other requirements, or the terms and conditions of this Agreement, the City and/or City Engineer may issue a Notice

of Violation and Demand for Compliance and/or a Stop Work Order. The City may declare the Developer to be in default or violation of this Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation. Developer shall comply with the Notice of Violation and/or Stop Work Order and shall substantially commence the work required to remedy the default or violation with the time specified in the Notice of Violation. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, City and/or City Engineer may provide the Notice of Violation verbally, and Developer shall substantially commence the required work within twenty-four (24) hours thereof.

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

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

12.0 Warranty and Guarantee. Developer hereby warrants and guarantees all Public Improvements against any defective work or labor done, or defective materials furnished in the performance of this Agreement, including the maintenance of all landscaping within the Property in a vigorous and thriving condition reasonably acceptable to City, for a period of one (1) year following completion of the work and acceptance by City ("Warranty"). During the Warranty, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the Public Improvements, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of City, and to the approval of the City Engineer. All repairs, replacements, or reconstruction during the Warranty shall be at the sole cost, expense, and liability of Developer and its surety. As to any Public Improvements which have been repaired, replaced, or reconstructed during the Warranty, Developer and its surety hereby agree to extend the Warranty for an additional one (1) year period following City's acceptance of the repaired, replaced, or reconstructed Public Improvements. Nothing herein shall relieve Developer from any other liability it may have under federal, state, or local law to repair, replace, or reconstruct any Public Improvement following expiration of the Warranty or any extension thereof. Developer's warranty obligation under this section shall survive the expiration or termination of this Agreement.

13.0 Security.

13.1 Prior to execution of this Agreement, Developer shall provide City with sufficient security in the amounts and under the terms set forth below ("Security"). Nothing in this Section is intended to prevent City, in its sole discretion, from requiring Developer to submit, or prevent Developer from submitting, security in a form other than bonds that may be allowed under California Government Code Section 66499, et seq. and the City's Municipal Code, and acceptable

to City. The amount of the Security shall be based on the City Engineer's approximation of the actual cost to construct the Public Improvements, including the replacement cost for all public landscaping ("Estimated Costs"). If City determines, in its sole and absolute discretion, that the Estimated Costs have changed, Developer shall adjust the Security in the amount requested by City. Developer's compliance with this Section shall in no way limit or modify Developer's indemnification obligation under this Agreement. Security shall be on forms approved by the City for the purposes and amounts as follows:

13.1.1 Performance Bond. To guarantee the faithful performance of the Public Improvements and all the provisions of this Agreement, to protect City if Developer is in default as set forth in this Agreement, and to secure Developer's one-year guarantee and warranty of the Public Improvements, including the maintenance of all landscaping in a vigorous and thriving condition, Developer shall provide City security in the amount of **seven hundred and thirty-four thousand, five hundred and seventy-five dollars and twenty-eight cents ($734,575.28)**, which sum shall be not less than one hundred percent (100%) of the Estimated Costs (Bonds attached in Exhibit "C" and Engineering Cost Estimate attached in Exhibit "B"). The City may, in its sole and absolute discretion, partially release a portion or portions of the security provided under this section as the Public Improvements are accepted by City, as provided herein, provided that Developer is not in default on any provision of this Agreement or condition of approval for the Map, and the total remaining security is not less than twenty-five percent (25%) of the Estimated Costs. All security provided under this section shall be released at the end of the Warranty period (as defined above), or any extension thereof as provided in this Agreement, provided that Developer is not in default on any provision of this Agreement or condition of approval for the Map.

13.1.2 Labor & Material Bond. To secure payment to the contractor and subcontractors, laborers, material men and other persons furnishing labor, materials, or equipment for performance of the Public Improvements and this Agreement, Developer shall provide City security in the amount of **seven hundred and thirty-four thousand, five hundred and seventy-five dollars and twenty-eight cents ($734,575.28)**, which sum shall not be less than one hundred percent (100%) of the Estimated Costs (Bonds attached in Exhibit "C" and Engineering Cost Estimate attached in Exhibit "B").. The security provided under this subsection may be released by written authorization of the City Engineer after one (1) year or within the time limits established in California Government Code section 66499.7 from the date City accepts the final Public Improvements at the discretion of City. The amount of such security shall be reduced by the total of all stop notice or mechanic's lien claims of which City is aware, plus an amount equal to twenty percent (20%) of such claims for reimbursement of City's anticipated administrative and legal expenses arising out of such claims.

13.1.3 Monument Security. To guarantee payment by the Developer to the engineer or surveyor whose certificate appears on the final map for the setting of all subdivision boundaries, lot corners and street centerline monuments, as well as the furnishing of all centerline tie notes to the City, prior to the City's execution of this Agreement, Developer shall deposit cash with the City in the amount of **One Thousand Seven-Hundred Dollars ($1,700)**. Said cash deposit may be released after receipt by the City of the centerline tie notes and written acknowledgment of payment in full from the engineer or surveyor.

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

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

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

14.0 Lien. To secure the timely performance of Developer's obligations under this Agreement, including those obligations for which security has been provided pursuant to this Agreement, Developer hereby creates in favor of City a lien against all portions of the Property not dedicated to City or some other governmental agency for a public purpose. As to Developer's default on those obligations for which security has been provided pursuant to this Agreement, City shall first attempt to collect against such security prior to exercising its rights as a contract lienholder under this Section.

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

to insurance proceeds, if any, received by City, its elected officials, officers, employees, agents, or volunteers.

16.0 Insurance.

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

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

16.2.1 Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than $2,000,000 per occurrence and no less than $4,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

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

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

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

16.3.1 Commercial General Liability: (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Developer; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Developer shall provide endorsements in the form of ISO CG 20 10 10 01 and

20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

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

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

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

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

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

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

coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

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

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

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

16.11 Additional Insurance Provisions

16.11.1 The foregoing requirements as to the types and limits of insurance coverage to be maintained by Developer, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Developer pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

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

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

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

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

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

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

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

19.0 General Provisions.

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

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

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

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

CITY:	**DEVELOPER:**
City of Ontario	Mission APG LLC
Engineering Department	c/o Alere Property Group LLC
303 East "B" Street	100 Bayview Circle #6000
Ontario, CA 91764	Newport Beach, CA 92660
Attn: City Engineer	Attn: Mark Kennedy

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

19.6 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.

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

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

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

The agreement, hypothecation, or transfer shall be to the satisfaction of the City Attorney and shall include provisions requiring the assignee to post bonds or submit another form of financial security, satisfactory to City and approved by the City Attorney, to guarantee construction of the Public Improvements. The agreement shall survive the recordation of the Final Map and

shall be recorded against each of the proposed lots to inform successors and assigns of the required Public Improvements to be constructed and their time frame for construction.

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

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

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

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

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

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

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

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

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

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

19.16 Prevailing Wages. Developer has been alerted to the requirements of California Labor Code sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements if it is determined that this Agreement constitutes a public works contract. It shall be the sole responsibility of Developer to determine whether to pay prevailing wages for any or all work required by this Agreement. As a material part of this Agreement, Developer agrees to assume all risk of liability arising from any decision not to pay prevailing wages for work required by this Agreement.

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

[SIGNATURE PAGE FOLLOWS]

CITY OF ONTARIO

By: _____
Scott Ochoa, City Manager

MISSION APG LLC,
a Delaware limited liability company

By: Alere Property Group LLC, a Delaware limited liability company, its sole member

By: _____
Signature

Douglas McGilvray
Print Name

Chief Operating Officer
Title

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger, City Attorney

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

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

STATE OF CALIFORNIA)
COUNTY OF Orange)

On April 1, 2026 before me, Suzane Lui, Notary Public, personally appeared Douglas McGilvray, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____ (seal)

SUZANE LUI
Notary Public - California
Orange County
Commission # 2504013
My Comm. Expires Nov 16, 2028

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

STATE OF CALIFORNIA)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Signature:_____ (seal)

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

PARCEL MAP NO. 20526

BEING A SUBDIVSION OF LOT A OF CERTIFICATE APPROVING A LOT LINE ADJUSTMENT LL 96-29, RECORDED MARCH 11, 1997 AS DOCUMENT NO. 19970084068 OF OFFICIAL RECORDS AND PORTIONS OF LOTS 5 AND 6, OF BLOCK 135 OF VILLA PLOTS SOUTH-SIDE TRACT, AS PER MAP RECORDED IN BOOK 6, PAGE 11, OF MAPS, TOGETHER WITH PORTION OF CARLTON STREET AS VACATED BY RESOLUTION NO. 97-074, RECORDED SEPTEMBER 22, 1997 AS DOCUMENT NO. 19970347853 OF OFFICIAL RECORDS, ALL IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT "B"

LIST OF PUBLIC IMPROVEMENTS

PARCEL MAP NO. 20526

Developer shall perform all work and furnish all materials necessary, in the opinion of the City Engineer and on his/her order, to complete the following Public Improvements in accordance with the plans and specifications on file with City or with any changes required or ordered by the City Engineer which, in his/her opinion, are necessary or required to complete this work.

Developer is required to perform the following Public Improvements under this Agreement:

[ENGINEERING COST ESTIMATE ATTACHED BEHIND THIS PAGE]

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Project Cost Estimate
PM 20526 PUBLIC IMPROVEMENT COST ESTIMATE

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

6/4/2025
Eng Dept
Harris PC#4

Recommended by HARRIS
for APPROVAL by City
By: _____
06/04/2025

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

Signature of Registered Civil Engineer

56155
RCE No.

12-31-2026
Exp. Date:

REGISTERED PROFESSIONAL ENGINEER
REINHARD STENZEL
R.C.E. NO. 56155
Exp. 12-31-26
CIVIL
STATE OF CALIFORNIA

Civil Engineer Stamp

Approved By: _____
Date: _____

CITY OF ONTARIO

ENGINEERING DEPARTMENT

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

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

A.	STREET (Excludes Fiber Optic, Landscape, Utility Poles)	Sub-Total	$ 444,171.51
B.	POTABLE WATER	Sub-Total	$ 55,424.60
C.	RECYCLED WATER	Sub-Total	$ -
D.	SANITARY SEWER	Sub-Total	$ 11,666.17
E.	STORM DRAIN	Sub-Total	$ 155,676.19
F.	FIBER OPTIC	Sub-Total	$ 67,636.80

TOTAL ESTIMATED CONSTRUCTION COST (Excludes Landscape, Utility Poles)	$ 734,575.28	
CONSTRUCTION INSPECTION FEE (Excludes Landscape, Utility Poles)	$ 31,309.99	$164 Base Fee
SECURITY DEPOSIT	$ 734,575.28	
Check box if posting Refundable Cash Deposit ☐		$500 Min
See Page 4 for posting of Security Bonds		
PERMIT FEE	$ 116.00	
TRAFFIC CONTROL PERMIT FEE	$ 103.00	
ENCROACHMENT PERMIT FEE TOTAL	$ 31,528.99	

CITY OF ONTARIO

ENGINEERING DEPARTMENT

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

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

A.	STREET (Excludes Fiber Optic, Landscape, Utility Poles)	Sub-Total	$ 444,171.51
B.	POTABLE WATER	Sub-Total	$ 55,424.60
C.	RECYCLED WATER	Sub-Total	$ -
D.	SANITARY SEWER	Sub-Total	$ 11,666.17
E.	STORM DRAIN	Sub-Total	$ 155,676.19
F.	FIBER OPTIC	Sub-Total	$ 67,636.80
G.	LANDSCAPE	Sub-Total	$ -
	TOTAL ESTIMATED CONSTRUCTION COST (Excludes Utility Poles)		$ 734,575.28
	PLAN CHECK FEE TOTAL		$ 26,591.63

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Summary of Estimated Construction Cost in Public Right-Of-Way

For Security Bond Amount

(Subdivision Maps Only)

Date	4/29/2026
Project Number	PM-20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S SULTANA A'
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESEENG.COM

A.	STREET	Sub-Total	$ 511,808.31
B.	POTABLE WATER	Sub-Total	$ 55,424.60
C.	RECYCLED WATER	Sub-Total	$ -
D.	SANITARY SEWER	Sub-Total	$ 11,666.17
E.	STORM DRAIN	Sub-Total	$ 155,676.19

TOTAL ESTIMATED CONSTRUCTION COST	$ 734,575.28
CONTINGENCY FOR UNSIGNED PLANS (10%)	$ 73,457.53
Check box if plans are unsigned ☐	
TOTAL SECURITY BOND AMOUNT	$ 734,575.28

SECURITY BOND AMOUNTS

Performance Bond (100% of Total Estimated Construction Cost)	$ 734,575.28
Labor and Material Bond (100% of Total Estimated Construction Cost)	$ 734,575.28
Maintenance Bond * (10% of Performance Bond)	$ 73,457.53
Monumentation Cash Deposit **	$ 1,700.00
No. of Monuments to set: 15	

* To be provided prior to release of Performance Bond

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

CITY OF ONTARIO

ENGINEERING DEPARTMENT

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

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

		Total Length (LF)
B.	POTABLE WATER MAIN	
C.	RECYCLED WATER MAIN	
D.	SANITARY SEWER MAIN	
E.	STORM DRAIN MAIN	
F.	FIBER OPTIC CONDUIT	**1280**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Street Improvements

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
ASPHALT CONCRETE (AC) ($0.39/IN/S.F. AC & $0.19/IN/S.F. CAB)				
AC BASE PAVE (MINIMUM 4") THICKNESS: 6"	6350	S.F.	$ 2.34	$ 14,859.00
CRUSHED AGREGGATE BASE THICKNESS: 8"	6350	S.F.	$ 1.52	$ 9,652.00
AC PAVEMENT		TON	$ 65.00	$ -
AC BERM	6	L.F.	$ 13.00	$ 78.00
2" GRIND	32930	S.F.	$ 0.40	$ 13,172.00
SAWCUT	1630	L.F.	$ 3.50	$ 5,705.00
IMPORT FILL (INCLUDING COMPACTION)		C.Y.	$ 25.00	$ -
PREPARATION OF SUBGRADE	6350	S.F.	$ 0.50	$ 3,175.00
AC PAVEMENT REMOVAL	7520	S.F.	$ 3.50	$ 26,320.00
SLURRY SEAL (RPM TYPE II)		S.F.	$ 0.17	$ -
TRENCH BACKFILL AND COMPACTION	159	S.F.	$ 3.50	$ 556.50
PORTLAND CEMENT CONCRETE (PCC)				
CURB & GUTTER	1110	L.F.	$ 15.00	$ 16,650.00
CURB ONLY		L.F.	$ 12.00	$ -
CROSS GUTTER/SPANDREL	420	S.F.	$ 7.00	$ 2,940.00
SIDEWALK	6830	S.F.	$ 4.75	$ 32,442.50
WHEELCHAIR RAMP	3	EA.	$ 2,200.00	$ 6,600.00
TRAFFIC ISLAND		S.F.	$ 9.50	$ -
CONCRETE PAVEMENT (PCC - REINFORCED, UP TO 10" THICKNESS)	480	S.F.	$ 7.80	$ 3,744.00
DRIVE APPROACHES				
RESIDENTIAL		S.F.	$ 6.50	$ -
COMMERCIAL	1870	S.F.	$ 8.50	$ 15,895.00
REMOVAL				
REMOVAL OF CONCRETE	3080	S.F.	$ 3.50	$ 10,780.00
REMOVAL OF BERM, A.C. OR P.C.C.	640	L.F.	$ 6.50	$ 4,160.00
ADJUSTMENT TO GRADE				
MANHOLE	1	EA.	$ 600.00	$ 600.00
WATER VALVE	9	EA.	$ 325.00	$ 2,925.00
CLEANOUT		EA.	$ 265.00	$ -
DRAINAGE				
PARKWAY DRAIN	4	EA.	$ 1,800.00	$ 7,200.00

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Street Improvements

SIGNS				
REFLECTOR SIGN AND POST		EA.	$ 175.00	$ -
STREET NAME SIGN		EA.	$ 475.00	$ -
TRAFFIC SIGN AND POST	1	EA.	$ 300.00	$ 300.00
LIGHTING				
STREET LIGHT				
- 70, 100 WATT (INCLUDING CONDUIT & PULL BOXES)	9	EA.	$ 6,200.00	$ 55,800.00
- 150, 250 WATT (INCLUDING CONDUIT & PULL BOXES)		EA.	$ 6,500.00	$ -
STREET LIGHT SERVICE PEDESTAL		EA.	$ 4,100.00	$ -
STREET LIGHT SERVICE DUAL PEDESTAL		EA.	$ 5,900.00	$ -
STRIPING				
SIGNING & STRIPING LOCAL STREET		L.F.	$ 4.50	$ -
SIGNING & STRIPING COLLECTOR STREET	228	L.F.	$ 8.75	$ 1,995.00
SIGNING & STRIPING ARTERIAL STREET	613	L.F.	$ 12.75	$ 7,815.75
PAINTED LEGEND		EA.	$ 80.00	$ -
THERMOPLASTIC LEGEND	11	EA.	$ 165.00	$ 1,815.00
TRAFFIC SIGNALS				$ -
NEW TRAFFIC SIGNAL		EA.	$ 355,600.00	$ -
MODIFY EXISTING SIGNAL (STREET WIDENING, PER CORNER)	1	EA.	$ 88,900.00	$ 88,900.00
REMOVE EXISTING SIGNAL		EA.	$ 25,000.00	$ -
REPLACE/RESTORE T.S. DETECTION LOOP		EA.	$ 425.00	$ -
TRAFFIC SIGNAL INTERCONNECT CONDUIT		L.F.	$ 17.00	$ -
TRAFFIC SIGNAL INTERCONNECT CONDUIT & CABLE	77	L.F.	$ 20.00	$ 1,540.00
ADD LEFT TURN PHASING		L.S.	$ 30,000.00	$ -
ADD LEFT TURN PHASING		L.S.	$ 30,000.00	$ -
LANDSCAPE				$ -
PARKWAY TREE WITH IRRIGATION		EA.	$ 525.00	$ -
PARKWAY LANDSCAPING		S.F.	$ 6.00	$ -
(INCLUDING IRRIGATION FACILITIES)				$ -
NEIGHBORHOOD EDGE AND/OR MEDIAN LANDSCAPING		S.F.	$ 6.00	$ -
(INCLUDING IRRIGATION FACILITIES)				$ -
NEIGHBORHOOD EDGE AND/OR MEDIAN TREE		EA.	$ 525.00	$ -
(INCLUDING IRRIGATION FACILITIES)				$ -
UTILITY POLES				$ -
RELOCATION OF POLE		EA.	$ 18,000.00	$ -
UNDERGROUNDING OF POWER LINES		L.F.	$ 350.00	$ -
UNDERGROUNDING OF COMMUNICATION LINES		L.F.	$ 90.00	$ -
				$ -
FIBER OPTIC				$ -
CONDUIT PLACEMENT TRENCH/BORE (INCLUDES HANDHOLES)	1280	L.F.	$ 45.00	$ 57,600.00
(ARTERIAL/COLLECTOR STREETS - MAIN BACKBONE)				$ -
IN-TRACT LOCAL STREETS				$ -
FIBER CONDUIT PLACEMENT		L.F.	$ 5.70	$ -

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Street Improvements

FIBER TRENCH		L.F.	$ 6.50	$ -
HANDHOLE - FLOWER POT (FP)		EA.	$ 125.00	$ -
HANDHOLE - HH-3		EA.	$ 250.00	$ -
HANDHOLE - HH-4		EA.	$ 375.00	$ -
				$ -
DRY UTILITY TRENCHING				$ -
BORE - AC PAVEMENT		L.F.	$ 20.00	$ -
BORE - PARKWAY		L.F.	$ 10.00	$ -
MICRO TRENCHING		L.F.	$ 8.15	$ -
DRY UTILITY TRENCH - AC PAVEMENT		L.F.	$ 56.00	$ -
DRY UTILITY TRENCH - PARKWAY		L.F.	$ 8.00	$ -
OTHER				
PEDESTRIAN RAIL CROSSING	1	L.S.	$ 5,000.00	$ 5,000.00
GRAVITY CURB 30" MAX	20	L.F.	$ 7.00	$ 140.00
REMOVE DRAINAGE STRUCTURE	2	L.S.	$ 15,000.00	$ 30,000.00
REMOVE CURB RETURN & RAMP	3	EA.	$ 2,500.00	$ 7,500.00
STREET IMPROVEMENTS SUB-TOTAL				**$ 435,859.75**
10% CONTINGENCY				$ 43,585.98
TRAFFIC CONTROL	1	L.S.	$ 13,184.76	$ 13,184.76
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ 19,177.83	$ 19,177.83
STREET IMPROVEMENTS TOTAL				**$ 511,808.31**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Potable Water Improvements

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
WATER / FIRE MAIN				
6" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 30.00	$ -
8" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 40.00	$ -
10" IN EASEMENT AREA ONLY (NOT IN PAVED STREET)		L.F.	$ 45.00	$ -
8" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 90.00	$ -
10" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 95.00	$ -
12" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 105.00	$ -
16" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 115.00	$ -
WATER SERVICE (EXCLUDES AC REMOVAL AND REPLACEMENT)				
1" WATER SERVICE WITH METER BOX	1	EA.	$ 1,000.00	$ 1,000.00
2" WATER SERVICE WITH METER BOX	2	EA.	$ 2,200.00	$ 4,400.00
FIRE HYDRANT (EXCLUDES AC REMOVAL AND REPLACEMENT)				
BREAK-OFF TYPE FIRE HYDRANT (INC. CONNECTION)	4	EA.	$ 5,400.00	$ 21,600.00
AIR RELEASE / BLOW-OFF (EXCLUDES AC REMOVAL AND REPLACEMENT)				
AIR RELEASE VALVE (INC. CONNECTION)		EA.	$ 4,600.00	$ -
BLOW-OFF VALVE (INC. CONNECTION)		EA.	$ 4,500.00	$ -
BACKFLOW ($1000/IN)				
RP 2" AND SMALLER		EA.	$ 3,000.00	$ -
DDC ABOVE GROUND (UP TO 6" DIAMETER)	2	EA.	$ 7,000.00	$ 14,000.00
GATE VALVE				
6"		EA.	$ 550.00	$ -
8"		EA.	$ 850.00	$ -
10"		EA.	$ 1,250.00	$ -
12"		EA.	$ 1,375.00	$ -
16"		EA.	$ 3,425.00	$ -
HOT TAP				
HOT TAP WITH VALVE		EA.	$ 1,750.00	$ -
CONNECTION TO EXISTING 6" MAIN		EA.	$ 3,500.00	$ -
CONNECTION TO EXISTING 8" MAIN		EA.	$ 3,750.00	$ -
CONNECTION TO EXISTING 12" MAIN		EA.	$ 4,100.00	$ -

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Potable Water Improvements

INSTALL TEE	2	EA.	$	300.00	$ 600.00
REMOVE EXISTING BLIND FLANGE		EA.	$	475.00	$ -
CONCRETE THRUST BLOCK		EA.	$	585.00	$ -
OTHER					
REMOVE 4" WATER MAIN	560	L.F.	$	10.00	$ 5,600.00
					$ -
					$ -
					$ -
POTABLE WATER IMPROVEMENTS SUB-TOTAL					**$ 47,200.00**
10% CONTINGENCY					$ 4,720.00
TRAFFIC CONTROL	1	L.S.	$	1,427.80	$ 1,427.80
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$	2,076.80	$ 2,076.80
POTABLE WATER IMPROVEMENTS TOTAL					**$ 55,424.60**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Recycled Water Improvements

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

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

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Recycled Water Improvements

REMOVE EXISTING BLIND FLANGE		L.S.	$ 475.00	$ -
CONCRETE THRUST BLOCK		EA.	$ 585.00	$ -
OTHER				
				$ -
				$ -
				$ -
				$ -
RECYCLED WATER IMPROVEMENTS SUB-TOTAL				**$ -**
10% CONTINGENCY				$ -
TRAFFIC CONTROL	1	L.S.	$ -	$ -
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ -	$ -
RECYCLED WATER IMPROVEMENTS TOTAL				**$ -**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Sanitary Sewer Improvements

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
SEWER MAIN (VCP ONLY)				
8" & SMALLER IN EASEMENT AREA ONLY		L.F.	$ 40.00	$ -
(NOT IN PAVED STREET)				
10" IN EASEMENT AREA ONLY		L.F.	$ 60.00	$ -
(NOT IN PAVED STREET)				
12" & LARGER IN EASEMENT AREA ONLY		L.F.	$ 63.00	$ -
(NOT IN PAVED STREET)				
8" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 70.00	$ -
10" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 75.00	$ -
12" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 80.00	$ -
15" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 90.00	$ -
18" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 95.00	$ -
21" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 105.00	$ -
24" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 115.00	$ -
MANHOLE				
MANHOLE		EA.	$ 4,050.00	$ -
DROP MANHOLE		EA.	$ 4,100.00	$ -
VAULT		EA.	$ 3,500.00	$ -
MONITORING FACILITY / NON TRAFFIC AREA	2	EA.	$ 1,750.00	$ 3,500.00
MONITORING MANHOLE		EA.	$ 4,100.00	$ -
CLEANOUT		EA.	$ 1,750.00	$ -
REMOVE/ABANDON EXISTING MANHOLE		EA.	$ 1,200.00	$ -
REMOVE EXISTING SEWER				
UP TO 12" DIAMETER	33	L.F.	$ 55.00	$ 1,815.00
GREATER THAN 12" DIAMETER		L.F.	$ 70.00	$ -
LATERAL				
4" HOUSE CONNECTION TO SEWER MAIN IN STREET		L.S.	$ 2,925.00	$ -
6" & SMALLER VCP SEWER LATERAL / EASEMENT		L.F.	$ 42.00	$ -
6" & SMALLER VCP SEWER LATERAL / PAVED STREET	66	L.F.	$ 70.00	$ 4,620.00
SEWER CHIMNEY		EA.	$ 1,170.00	$ -
SEWER SADDLE		EA.	$ 1,170.00	$ -
WYE 4" x 8" TYPICAL		EA.	$ 115.00	$ -
OIL/GREASE INTERCEPTOR NOT IN STREET		EA.	$ 1,750.00	$ -

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Sanitary Sewer Improvements

OTHER				
				$ -
				$ -
				$ -
				$ -
SANITARY SEWER IMPROVEMENTS SUB-TOTAL				**$9,935.00**
10% CONTINGENCY				$993.50
TRAFFIC CONTROL	1	L.S.	$ 300.53	$ 300.53
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ 437.14	$ 437.14
SANITARY SEWER IMPROVEMENTS TOTAL				**$11,666.17**

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Storm Drain Improvements

Date	4/29/2025
Project Number	PM 20526
Plancheck Number	NOT AVAILABLE
Location	MISSION BLVD. S. SULTANA A
Computed By	D. DYSTHE
Contact Phone	(714) 521-4811
Contact Email	DANE@THIENESENG.COM

CONSTRUCTION ITEM DESCRIPTION	QTY	UNIT	COST	TOTAL
RCP STORM DRAIN				
RCP SIZE X $3.25 / INCH OF I.D. UP TO 60" DIAMETER				
18" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 58.50	$ -
INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ -	$ -
INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ -	$ -
INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ -	$ -
66" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 260.00	$ -
72" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 290.00	$ -
78" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 305.00	$ -
84" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 330.00	$ -
90" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 350.00	$ -
96" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 365.00	$ -
102" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 470.00	$ -
108" INC. EXC., BACKFILL & PVMT RESTORATION		L.F.	$ 480.00	$ -
LATERAL				
18" RCP OR SMALLER	82	L.F.	$ 45.00	$ 3,690.00
INC. EXC., BACKFILL & PVMT RESTORATION				
MANHOLE		EA.	$ 4,500.00	$ -
CATCH BASIN				
CATCH BASIN LESS THAN 7' IN WIDE		L.F.	$ 409.50	$ -
7' WIDE - CB WITH SCREEN INLET	1	E.A.	$ 3,900.00	$ 3,900.00
10' WIDE- CB WITH SCREEN INLET		E.A.	$ 4,200.00	$ -
14' WIDE - CB WITH SCREEN INLET		E.A.	$ 4,700.00	$ -
21' WIDE - CB WITH SCREEN INLET		E.A.	$ 4,900.00	$ -
LOCAL DEPRESSION FOR UP TO 10' WIDE CB	1	L.S.	$ 585.00	$ 585.00
LOCAL DEPRESSION FOR > 10' WIDE CB		L.S.	$ 1,200.00	$ -
REINFORCED CONCRETE BOX				
INC. EXC., BACKFILL & PVMT RESTORATION				
4' X 6' RCB		L.F.	$ 400.00	$ -
7' X 6' RCB		L.F.	$ 470.00	$ -
7' X 8.5' RCB		L.F.	$ 560.00	$ -
7' X 9.5' RCB		L.F.	$ 575.00	$ -
8' X 11' RCB		L.F.	$ 585.00	$ -

CITY OF ONTARIO

ENGINEERING DEPARTMENT

Construction Cost Estimate Form
Storm Drain Improvements

8' X 13' RCB		L.F.	$ 600.00	$ -
9' X 9' RCB		L.F.	$ 610.00	$ -
9' X 12' RCB		L.F.	$ 650.00	$ -
OUTLET STRUCTURE	1	EA.	$ 700.00	$ 700.00
INLET STRUCTURE		EA.	$ 700.00	$ -
TRANSITION STRUCTURE		EA.	$ 1,700.00	$ -
OTHER				
6'X2' RCB	218	L.F.	$ 350.00	$ 76,300.00
8'X1' RCB	58	L.F.	$ 400.00	$ 23,200.00
8'X1.5' RCB	24	L.F.	$ 425.00	$ 10,200.00
6" ROCK	1400	S.F.	$ 10.00	$ 14,000.00
STORM DRAIN IMPROVEMENTS SUB-TOTAL				**$ 132,575.00**
10% CONTINGENCY				$ 13,257.50
TRAFFIC CONTROL	1	L.S.	$ 4,010.39	$ 4,010.39
MOBILIZATION, SWPPP, EROSION CONTROL	1	L.S.	$ 5,833.30	$ 5,833.30
STORM DRAIN IMPROVEMENTS TOTAL				**$155,676.19**

EXHIBIT "C"

SURETY BONDS AND OTHER SECURITY

PARCEL MAP NO. 20526

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

FAITHFUL PERFORMANCE BOND: **$ 734,575.28**
Surety: Harco National Insurance Company
Attorney-in-fact:
Address: 4200 Six Forks Rd, Suite 1400
Raleigh NC 27609

_____

_____

PAYMENT BOND: **$ 734,575.28**
Surety: Harco National Insurance Company
Attorney-in-fact:
Address: 4200 Six Forks Rd, Suite 1400
Raleigh NC 27609

_____

_____

GUARANTEE AND WARRANTY SECURITY BOND: **$ 73,457.53**
To be posted upon completion of the Public Improvements by Developer and approval and acceptance by the City.

CASH MONUMENT SECURITY: **$ 1,700.00**
Amount deposited per Cash Receipt No. 379523
Date: 4/9/2026

[BONDS ATTACHED BEHIND THIS PAGE]

DUPLICATE ORIGINAL

CITY OF ONTARIO Bond No. 3008286

FAITHFUL PERFORMANCE BOND FOR SUBDIVISION IMPROVEMENT AGREEMENT

PROJECT: **PARCEL MAP NO. 20526**

WHEREAS, the conditions placed on the tentative/parcel map for Parcel Map No. 20526 require that the City of Ontario, a municipal corporation of the State of California ("CITY"), by its City Council, and **MISSION APG LLC c/o Alere Property Group LLC, a Delaware limited liability company** ("PRINCIPAL") enter into an agreement ("Agreement") whereby the PRINCIPAL agrees to install and complete certain designated public improvements ("Public Improvements"); and

WHEREAS, the PRINCIPAL is required under the terms of the Agreement to furnish a bond, in a form and from a surety acceptable to the CITY, for the faithful performance of the Agreement.

NOW, THEREFORE, PRINCIPAL and **Harco National Insurance Company** ("SURETY"), a corporation organized and existing under the laws of the State of Illinois, and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto CITY in the sum of **seven hundred and thirty four thousand five hundred seventy five dollars and twenty eight cents ($734,575.28)**, said sum being not less than one hundred percent (100%) of the total cost of the Public Improvements as set forth in the Agreement, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such, that if PRINCIPAL, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, agreements, guarantees, and warranties in the Agreement and any alteration thereof made as therein provided, to be kept and performed at the time and in the manner therein specified and in all respects according to their intent and meaning, and to indemnify and save harmless CITY, its officers, employees, and agents, as stipulated in the Agreement, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

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

SURETY, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Agreement, or to any plans, profiles, and specifications related thereto, or to the Public Improvements to be constructed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition.

This bond is executed and filed to comply with Section 66499, *et seq.*, of the Government Code of California and the CITY's Municipal Code as security for performance of the Agreement and security for the one-year guarantee and warranty of the Public Improvements.

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

IN WITNESS WHEREOF, this instrument has been duly executed by PRINCIPAL and SURETY above named, on March 26, 2026.

Harco National Insurance Company	MISSION APG LLC c/o Alere Property Group LLC, a Delaware limited liability company
Name of Surety	Principal
	By: _____
	Title: Chief Operating Officer
4200 Six Forks Road, Raleigh, NC 27609	and
Mailing Address of Surety	
630-416-4405	By: _____
Telephone No. of Surety	Title: _____
By: _____	
Aerie Walton, Attorney in Fact	

POWER OF ATTORNEY REQUIRED. The Attorney-in-Fact (resident agent) who executes this bond on behalf of the surety company must attach a copy of his Power of Attorney as evidence of his authority. A notary shall acknowledge the power as of the date of the execution of the surety bond which it covers.

A - XII
RISK MANAGEMENT
DATE 4/6/26
SURETY APPROVED ONLY
INITIAL ES

POWER OF ATTORNEY

Bond # 3008286

HARCO NATIONAL INSURANCE COMPANY
INTERNATIONAL FIDELITY INSURANCE COMPANY

Member companies of IAT Insurance Group, Headquartered: 4200 Six Forks Rd, Suite 1400, Raleigh, NC 27609

KNOW ALL MEN BY THESE PRESENTS: That **HARCO NATIONAL INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of Illinois, and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of New Jersey, and having their principal offices located respectively in the cities of Rolling Meadows, Illinois and Newark, New Jersey, do hereby constitute and appoint

DEREK J. ELSTON, BARTLOMIEJ SIEPIERSKI, AERIE WALTON, AARON D. GRIFFIN, RICHARD CASAS

Chicago, IL

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting duly held on the 13th day of December, 2018 and by the Board of Directors of **HARCO NATIONAL INSURANCE COMPANY** at a meeting held on the 13th day of December, 2018.

"**RESOLVED**, that (1) the Chief Executive Officer, President, Executive Vice President, Senior Vice President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** have each executed and attested these presents on this 31st day of December, 2024

INTERNATIONAL FIDELITY INSURANCE COMPANY CORPORATE SEAL 1904 NEW JERSEY

STATE OF NEW JERSEY
County of Essex

STATE OF ILLINOIS
County of Cook

HARCO NATIONAL INSURANCE COMPANY CORPORATE SEAL 1984 ILLINOIS

Michael F. Zurcher
Executive Vice President, Harco National Insurance Company
and International Fidelity Insurance Company

On this 31st day of December, 2024, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

CATHY CRUZ NOTARY PUBLIC STATE OF NEW JERSEY

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

Cathy Cruz a Notary Public of New Jersey
My Commission Expires April 16, 2029

CERTIFICATION

I, the undersigned officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand on this day, March 26, 2026

A00418

Irene Martins, Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

State of ILLINOIS

County of COOK

On March 26, 2026 before me, Derek Elston, Notary Public, personally appeared Aerie Walton who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

OFFICIAL SEAL
DEREK ELSTON
NOTARY PUBLIC, STATE OF ILLINOIS
COOK COUNTY
MY COMMISSION EXPIRES 09/08/2026

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

STATE OF CALIFORNIA)
COUNTY OF Orange)

On April 1, 2026 before me, Suzane Lui, Notary Public, personally appeared Douglas McGilvray, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

SUZANE LUI
Notary Public - California
Orange County
Commission # 2504013
My Comm. Expires Nov 16, 2028

Signature: _____ (seal)

DUPLICATE ORIGINAL

CITY OF ONTARIO Bond No. 3008287

LABOR & MATERIAL BOND FOR SUBDIVISION IMPROVEMENT AGREEMENT

PROJECT: PARCEL MAP NO. 20526

WHEREAS, the conditions placed on the tentative/parcel map for Parcel Map No. 20526 require that the City of Ontario, a municipal corporation of the State of California ("CITY"), by its City Council, and **MISSION APG LLC c/o Alere Property Group LLC, a Delaware limited liability company** ("PRINCIPAL") enter into an agreement ("Agreement") whereby the PRINCIPAL agrees to install and complete certain designated public improvements ("Public Improvements"); and

WHEREAS, under the terms of the Agreement, PRINCIPAL is required before entering upon the performance of the work, to file a good and sufficient payment bond with the CITY to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California.

NOW, THEREFORE, PRINCIPAL and **Harco National Insurance Company** ("SURETY"), a corporation organized and existing under the laws of the State of Illinois, and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto CITY and to any and all material men, persons, companies or corporations furnishing materials, provisions, and other supplies used in, upon, for or about the performance of the Public Improvements, and all persons, companies or corporations renting or hiring teams, or implements or machinery, for or contributing to the Public Improvements to be done, and all persons performing work or labor upon the same and all persons supplying both work and materials as aforesaid excepting the PRINCIPAL, the sum of **seven hundred and thirty four thousand five hundred seventy five dollars and twenty eight cents ($734,575.28)** said sum being not less than 100% of the total cost of the Public Improvements under the terms of the Improvement Agreement, we bind ourselves, our heirs, executors and administrators, successors and assigns jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the PRINCIPAL, his or its subcontractors, heirs, executors, administrators, successors, or assigns, shall fail to pay for any materials, provisions, or other supplies or machinery used in, upon, for or about the performance of the Public Improvements, or for work or labor thereon of any kind, or fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the contractor and his subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, and all other applicable laws of the State of California and rules and regulations of its agencies, then said SURETY will pay the same in or to an amount not exceeding the sum specified herein.

As part of the obligation secured hereby, and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's

fees, incurred by CITY in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

This bond is executed and filed to comply with Section 66499, et seq., of the California Government Code and the City's Municipal Code as security for payment to contractors, subcontractors, and persons furnishing labor, materials, or equipment for construction of the Public Improvements or performance of the Agreement. It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with section 9000) of Part 6 of Division 4 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

SURETY, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Agreement, or to any plans, profiles, and specifications related thereto, or to the Public Improvements to be constructed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition.

IN WITNESS WHEREOF, this instrument has been duly executed by PRINCIPAL and SURETY above named, on March 26, 2026.

Harco National Insurance Company	MISSION APG LLC c/o Alere Property Group LLC, a Delaware limited liability company
Name of Surety	Principal
	By: _____
	Title: Chief Operating Officer
4200 Six Forks Road, Raleigh, NC 27609	and
Mailing Address of Surety	
630-416-4405	By: _____
Telephone No. of Surety	Title: _____
By: _____	
Aerie Walton, Attorney in Fact	

A - XII

RISK MANAGEMENT
DATE 4/6/26
SURETY APPROVED ONLY
INITIAL ES

POWER OF ATTORNEY REQUIRED. The Attorney-in-Fact (resident agent) who executes this bond on behalf of the surety company must attach a copy of his Power of Attorney as evidence of his authority. A notary shall acknowledge the power as of the date of the execution of the surety bond which it covers.

POWER OF ATTORNEY

Bond # 3008287

HARCO NATIONAL INSURANCE COMPANY
INTERNATIONAL FIDELITY INSURANCE COMPANY

Member companies of IAT Insurance Group, Headquartered: 4200 Six Forks Rd, Suite 1400, Raleigh, NC 27609

KNOW ALL MEN BY THESE PRESENTS: That **HARCO NATIONAL INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of Illinois, and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of New Jersey, and having their principal offices located respectively in the cities of Rolling Meadows, Illinois and Newark, New Jersey, do hereby constitute and appoint

DEREK J. ELSTON, BARTLOMIEJ SIEPIERSKI, AERIE WALTON, AARON D. GRIFFIN, RICHARD CASAS

Chicago, IL

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting duly held on the 13th day of December, 2018 and by the Board of Directors of **HARCO NATIONAL INSURANCE COMPANY** at a meeting held on the 13th day of December, 2018.

"**RESOLVED**, that (1) the Chief Executive Officer, President, Executive Vice President, Senior Vice President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** have each executed and attested these presents on this 31st day of December, 2024

INTERNATIONAL FIDELITY INSURANCE COMPANY CORPORATE SEAL 1904 NEW JERSEY

STATE OF NEW JERSEY
County of Essex

STATE OF ILLINOIS
County of Cook

HARCO NATIONAL INSURANCE COMPANY CORPORATE SEAL 1984 ILLINOIS

Michael F. Zurcher
Executive Vice President, Harco National Insurance Company
and International Fidelity Insurance Company

On this 31st day of December, 2024 , before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

CATHY CRUZ NOTARY PUBLIC STATE OF NEW JERSEY

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

Cathy Cruz a Notary Public of New Jersey
My Commission Expires April 16, 2029

CERTIFICATION

I, the undersigned officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand on this day, March 26, 2026

A00418

Irene Martins, Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

State of ILLINOIS

County of COOK

On March 26, 2026 before me, Derek Elston, Notary Public, personally appeared Aerie Walton who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

OFFICIAL SEAL
DEREK ELSTON
NOTARY PUBLIC, STATE OF ILLINOIS
COOK COUNTY
MY COMMISSION EXPIRES 09/08/2026

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

State of California
County of Orange

On April 1, 2026 before me, Suzane Lui, Notary Public, personally appeared Douglas McGilvray, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

[SEAL]

SUZANE LUI
Notary Public - California
Orange County
Commission # 2504013
My Comm. Expires Nov 16, 2028

Signature _____

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Broadband Operations Prepared By: Nancy Santillan Staff Member Presenting: Jimmy Chang, Broadband General Manager Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 15

SUBJECT: A CONSTRUCTION CONTRACT FOR CITY'S BROADBAND FIBER CONDUIT INSTALLATION SERVING AREA 05 SYSTEM BUILD - PHASE I

RECOMMENDATION: That the City Council take the following actions:

A. Approve Construction Contract No. BB-2026-001, FY 2025-26 City Fiber Conduit Installation - Serving Area 05 System Build - Phase I (on file in the Records Management Department), to Pramira, Inc. of Brea, California, to provide fiber optic conduit installation services in the amount of $893,779 plus a ten percent (10%) contingency of $89,378 for a total authorized expenditure of $983,157; and
B. Authorize the City Manager or designee to execute said contract and all documents required for the completion of the project, including, but not limited to, purchase orders, contracts, agreements, easements, reduction of retention accounts, and the filing of a Notice of Completion at the conclusion of all related work.

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 total recommended expenditure authorization consists of $893,779 plus a ten percent (10%) contingency of $89,378 for a total authorized expenditure of $983,157. The Fiscal Year 2025-26 Budget includes appropriations in the Broadband/Fiber Fund for City Fiber Conduit Installation - Serving Area 05 System Build - Phase I Project. If approved, additional appropriations will be included at a future quarterly budget update to council for approval as needed.

BACKGROUND & ANALYSIS: The general scope of work to be performed consists of the installation of underground fiber optic conduit, handholes, locate wire and fiber cable for the purpose of expanding the OntarioNet broadband fiber and wireless network to north Ontario. The area affected is generally bounded by 6th Street to the north, 5th Street to the south San Antonio Avenue to the west, and Euclid Avenue to the east. This project will provide conduit pathway for

fiber optic cable installation. Splice case installations, fiber optic splicing and performance testing are to be performed internally, and not by the contractor. Project location maps are provided for reference as Exhibit A.

In April 2026, the City solicited bids for the project and eight bids were received. The following is a summary of the bid results:

COMPANY	LOCATION	AMOUNT
GA Technical Services, Inc.	Glendora, CA	$736,290
Pramira, Inc.	Brea, CA	$893,779
SECC Corporation	Corona, CA	$947,863
HP Communications, Inc.	Corona, CA	$1,628,908
The Fishel Company	Santa Ana, CA	$1,647,960
Herman Weissker, Inc.	Riverside, CA	$1,723,746
JM UTILITY SERVICES	Van Nuys, CA	$2,342,625
Crosstown Electrical & Data, Inc.	Irwindale, CA	$3,099,976

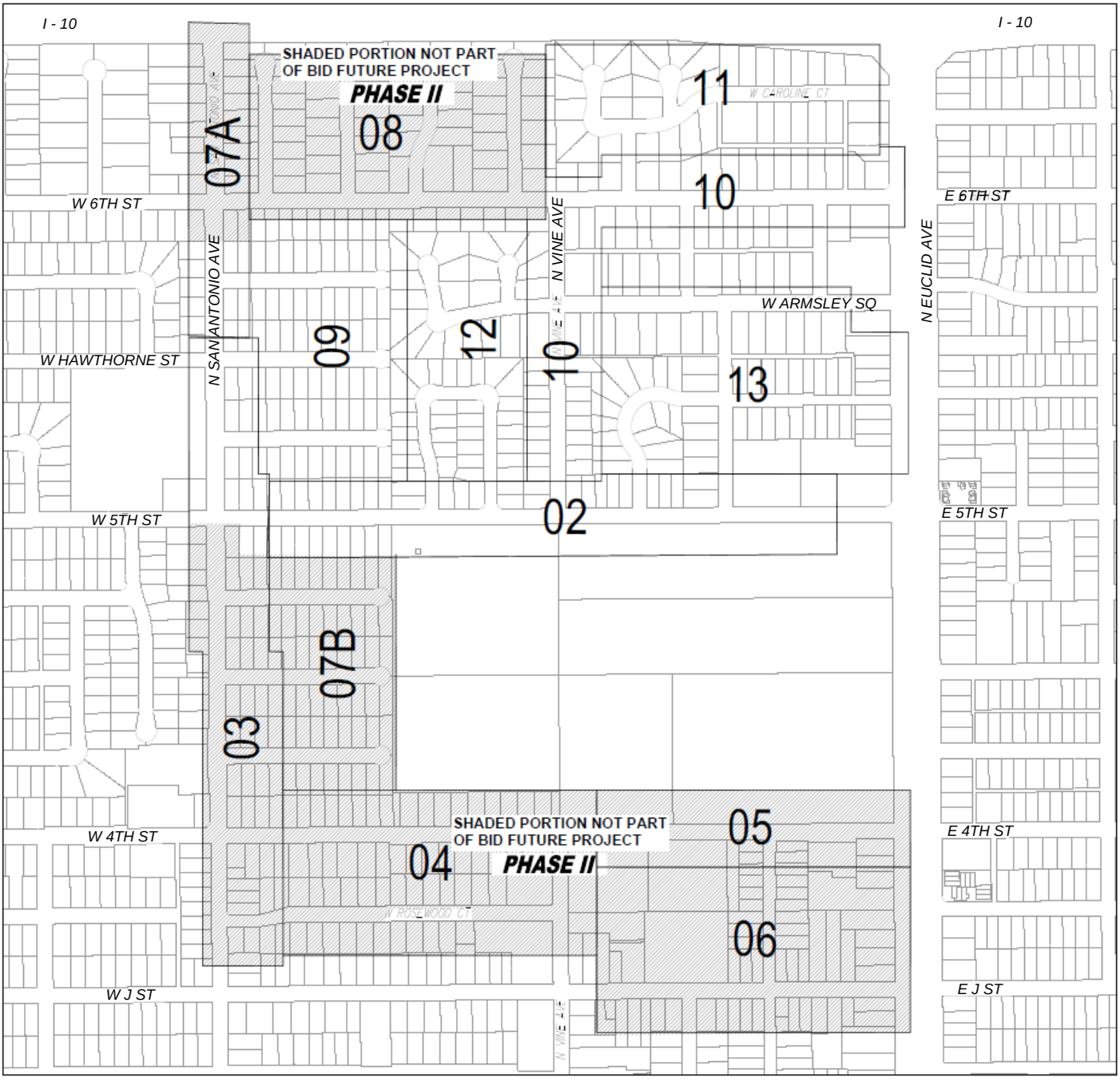
Although GA Technical Services, Inc. provided the lowest bid and met the submission requirements, it was found that this firm did not have any direct experience related to this project scope.

Pramira, Inc. provided all the required documents in their bid package and demonstrated an extensive amount of relevant experience. Reference checks were conducted as part of the City's due diligence process, receiving satisfactory feedback confirming their prior experience performing work of similar scope.

Staff recommends that the City Council award a construction contract to Pramira, Inc., the lowest responsible bidder.

Exhibit A

PHASE I
FIBER OPTIC IMPROVEMENT PLANS
FTTH: SA05-AMVI05
WORK ORDER # 2023-003



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
CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. **BB-2026-001** 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 Pramira, Inc., sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

City Conduit & Fiber Installation – Serving Area 05 System Build – Phase I

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **90 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 Eight Hundred Ninety-Three Thousand Seven Hundred

Seventy-Nine Dollars ($893,779). 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 **$1,000** 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
Information Required of Bidders
Non-Collusion Declaration Form
Iran Contracting Act Certification
Fleet Compliance Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications
Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Any other documents contained in or incorporated into the Contract

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

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

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

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

ARTICLE 7. INDEMNIFICATION.

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

ARTICLE 8. PREVAILING WAGES.

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

ARTICLE 9. FALSE CLAIMS.

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

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

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

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

PRAMIRA, INC.

By: _____

Its: _____

Printed
Name: _____

By: _____

Its: _____

Printed
Name: _____

_____
Contractor's License Number and
Classification

_____
DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Police Department Prepared By: Heather M Lugo Department: Prepared By: Heather M Lugo Staff Member Presenting: Rudy Lopez, Chief of Police Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 16

SUBJECT: **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES TO PUBLIC CLIENTS**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with All City Management Services, Inc., of Santa Fe Springs, California, for crossing guard services to extend the agreement by two additional one-year terms and increase the contract amount by $1,758,319, for a total not-to-exceed contract amount of $4,987,973.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: Amendment No. 1 with All City Management, Inc., will increase the authorized contract amount by $1,758,319 for a total not-to-exceed amount of $4,987,973, which includes a two percent contingency on the remaining two additional one-year terms to accommodate potential increases in the City's need for additional crossing guard services. The Fiscal Year 2025–26 Adopted Budget includes appropriations in the General Fund for crossing guard services. Appropriations for future fiscal years will be included in the respective fiscal years' budget to be considered by City Council for approval.

BACKGROUND & ANALYSIS: On April 4, 2023, the City Council approved a Professional Services Agreement with All City Management Services, Inc. to provide crossing guard services at designated locations throughout the City of Ontario. Amendment No. 1 will extend the current agreement by two additional one-year terms and increase the associated compensation, allowing for the continuation of services without disruption to daily operations.

Designated locations and schedules will continue to be negotiated annually between the participating school districts, the Ontario Police Department, and the City of Ontario Traffic Engineering Department, based on current conditions and projected needs for each academic year.

This coordinated approach allows the City to strategically deploy crossing guard services and police personnel at high-traffic and higher-risk school zones, enhance visibility and traffic compliance, and reduce the potential for pedestrian-related collisions. Collectively, these efforts support a safer environment for students, families, and the residents of Ontario during critical arrival and dismissal times.

To maintain the current high level of public safety to the citizens of Ontario, Staff recommends approving Amendment No. 1 with All City Management Services, Inc. for two additional one-year terms for crossing guard 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. 1 TO THE CROSSING GUARD PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ALL CITY MANAGEMENT SERVICES 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 **ALL CITY MANAGEMENT SERVICES 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 "Crossing Guard Professional Services" Agreement dated April 4, 2023 ("Agreement").

2.2 Amendment Purpose. **The City and Consultant desire to amend the Agreement to extend the agreement by exercising two optional, one-year terms and to increase the contract amount by $1,758,319, for a total not-to-exceed amount to $4,987,973.**

2.3 Amendment Authority. This **Amendment No. 1** is authorized pursuant to Section 3.1.2 of the Agreement.

3. Terms.

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

"3.1.2 Term. The term of this Agreement for Crossing Guard Services shall be from **July 1, 2023,** to **June 30, 2028**, unless earlier terminated pursuant to the provisions contained herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete Services."

"3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Four Million, Nine Hundred, Eighty-Seven Thousand, Nine Hundred and Seventy-Three Dollars ($4,987,973)** without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in the Agreement"

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 CROSSING GUARD PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ALL CITY MANAGEMENT, 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

ALL CITY MANAGEMENT, INC.

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

If Corporation, Two Signatures, President Or Vice President and Secretary Or Treasurer Required

EXHIBIT "C"



All City Management Services Inc.

Client Worksheet 2026 - 2027

Department: 1006801, 1006802 **Ontario, City of**

Billing Rate for 2026/2027: $34.79

Sites with Traditional Calendar

Calendar Groups	Hours/Year		Hourly Billing Rate		Group Total
45 Sites @ 3.00 hrs/day, 5 days/wk	24300	X	$34.79	=	$845,397.00
	(45 sites x 3.00 hrs/day x 180 days/yr)				

TOTAL ANNUAL	**PROJECTED HOURS**	**24300**	**PROJECTED COST**	**$845,397.00**

All City Management Services Inc.

Client Worksheet 2027 - 2028

Department: 1006801, 1006802 **Ontario, City of**

Billing Rate for 2027/2028: $36.15

Sites with Traditional Calendar

Calendar Groups	Hours/Year		Hourly Billing Rate		Group Total
45 Sites @ 3.00 hrs/day, 5 days/wk	24300 (45 sites x 3.00 hrs/day x 180 days/yr)	X	$36.15	=	$878,445.00

TOTAL ANNUAL PROJECTED HOURS 24300 PROJECTED COST $878,445.00

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Information Technology Prepared By: Samantha Robles Staff Member Presenting: Colin Fernandes, Executive Director Information Technology Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 17

SUBJECT: **AN AGREEMENT WITH TRIMBLE INC, FOR THE TRIMBLE UNITY MAINTAIN WORK ORDER AND ASSET MANAGEMENT SYSTEM, FOR PUBLIC WORKS AND ONTARIO MUNICIPAL UTILITIES COMPANY**

RECOMMENDATION: That the City Council approve and authorize the City Manager, or his designee, to execute the Trimble Unity Maintain work order and asset management system used by Public Works and Ontario Municipal Utilities Company (OMUC) with Trimble Inc, of Westminster, Colorado, for a total contract amount not-to-exceed $1,043,382 for a five-year term.

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

FISCAL IMPACT: The Fiscal Year 2025-26 Adopted Budget includes appropriations from the Information Technology Fund for software subscriptions. The proposed software subscription will be for 5 years, with a total contract amount not to exceed $1,043,382, including $202,500 for year 1, $202,500 for year 2, $202,500 for year 3, $212,625 for year 4, and $223,257 for year 5. The fixed billing rates specified in the current Agreement will determine the amount charged for services and reflect the actual services provided. If approved, appropriations will be included in future Fiscal Year Proposed Budgets consistent with the annual adoption process.

BACKGROUND & ANALYSIS: OMUC and the City's Public Works Department currently utilize Trimble Unity Maintain (formerly Cityworks AMS) as the City's enterprise asset management and maintenance management platform. The system supports the management of work orders and service requests.

The proposed Agreement will upgrade the City's existing on-premise Cityworks system and transition it to Trimble Unity Maintain's cloud-based environment. The cloud platform integrates with the City's GIS environment and provides centralized access to asset information, maintenance history, and field operations data for staff across departments.

The cloud-based system will improve operational efficiency by supporting real-time field operations, mobile connectivity, and more immediate access to work orders and asset information for field and office staff. Staff requests City Council approval for a contract not-to-exceed amount of $1,043,382 for a five-year term.

ORDER FORM

Order Date:	Date of the last signature below
Trimble Entity Name ("Trimble") and Address:	Trimble Inc. 10368 Westmoor Drive Westminster, CO 80021 US
Customer Entity Name ("Customer") and Address:	Ontario, CA 303 E. B Street Ontario, CA 91764
Billing Contact Name and E-Mail Address:	Toni Mcnaughton tmcnaughton@ontarioca.gov
Is Customer Tax Exempt? **Is Customer a Public Entity?**	Yes or No Yes or No
Initial Term:	01/01/2026 - 12/04/2030
Validity:	This Order Form shall expire on 6/15/2026 (the "Validity Date"). If this Order Form is not executed by the Customer by the Validity Date, Trimble reserves the right to not offer the pricing found in the Order Form.
Miscellaneous:	** If Purchase orders issued by Customer, they are issued for administrative purposes only; terms and conditions contained in any such purchase order shall be null and void.* Post-Termination Customer Data Extract. Upon termination or expiration of this Agreement, Trimble will retain Customer Data for 90 days (the "Retention Period"). During the Retention Period and upon Customer's written request, Trimble will provide Customer with one (1) extract of all documents and files stored within its instance(s) free of charge via an S3 Bucket or other mutually agreeable format. After the Retention Period, all Customer Data will be sanitized in accordance with NIST 800-88 standards. Trimble Unity Construct Third-Party Software Attributions. A list of certain third-party software included in Trimble Unity Construct may be found at the following link: https://learn.assetlifecycle.trimble.com/legal/e-builder-3rd-party-software-attributions Background. On **December 04, 2024**, Azteca Systems, LLC (a wholly owned subsidiary of Trimble, Inc.) and Customer executed an agreement pertaining to Customer's current Cityworks subscription (the "Agreement"). Purpose. The Purpose of this Order Form is to upgrade and migrate the Customer's current Annual Software Subscription: From: **Cityworks AMS Standard ELA with Unlimited Logins.** To: **Trimble Unity Maintain Elite with Unlimited Users**. Assignment. Pursuant to Section 13.1 of Addendum 1 of the Agreement, Azteca Systems, LLC hereby assigns the Agreement to Trimble, Inc. Migration Process. Trimble will provision Customer's Trimble Unity Maintain instance upon the later of a) execution of this Order Form or b) 90 days prior to the Initial Term (the "Provision Date"). Customer and its authorized Service Provider will then complete the software implementation and migration of Customer Data to the Trimble Unity Maintain environment. Upon completion of the implementation and migration, Customer will promptly notify Trimble of the anticipated Trimble Unity Maintain go-live date, which shall be no later than 1 year from the Provision Date. Upon go-live of Customer's Trimble Unity Maintain instance, Customer's Cityworks subscription (including all applicable support obligations) will automatically terminate and Customer will cease any and all use of the Cityworks software and delete all copies thereof. Support Terms & Service Level Agreement. The Support Terms and service levels applicable to Trimble Unity

	Maintain are provided in Addendums 2 and 3 below. Customer's Service Provider. Customer has elected a third party, **NV5 Global, Inc,** to perform the implementation and migration described above. Trimble is not responsible for and disclaims all liability associated with the implementation and migration services performed by any third party. Unlimited Authorized Users. The Trimble Unity Maintain SaaS Annual Amount is based on an Average Annual Operating Spend of the Customer. Trimble reserves the right to adjust the Annual Amount accordingly to align with the Customer's Actual Average Annual Operating Spend. "Annual Operating Spend" means the expenses incurred by the Customer to operate, maintain, and manage an Asset, building or site over a period of one year. This includes costs related to utilities, maintenance services, property management, insurance, personnel costs, operating expenses, and other day-to-day operational expenses necessary to ensure the continued functionality and serviceability of the asset, building, or site. "Asset(s)" shall mean Capital, Fixed, Restricted, Unrestricted, and Trust Fund Assets that the Customer may operate. "Average Annual Operating Spend" means the average of the estimated next three (3) fiscal years of the Customer's Annual Operating Spend. Trimble will have the right, during normal business hours and upon at least five (5) days' prior written notice, to have an independent firm audit the amount of Annual Capital Spend that the customer has incurred. The audit will be conducted at Trimble's expense, unless it reveals that Customer has not complied in which case Customer will (i) reimburse Trimble for all reasonable costs and expenses incurred by Trimble regarding such audit; and (ii) pay Trimble any annual license fee underpayment disclosed by the audit.

Annual Software Subscription:

Software-as-a-Services Product Name	Identifier	Quantity	Description	Annual Amount
Trimble Unity Suite	Unlimited	1	In addition to the Unlimited Subscription listed below, Customer receives access to: 5 - Trimble Unity Construct **Professional** 5 - Trimble Unity Permit **Professional** See Addendum 1 for Additional Details, Trimble Unity Suite - Unlimited	$8,000.00
Trimble Unity Maintain	Elite Package	Average Annual Operating Spend: 99M	See Addendum 1 for Additional Details, Packages	$194,500.00
			Total Annual Software Subscription – Year 1 (07/01/2026 - 12/04/2026)	**$202,500.00***
			Total Annual Software Subscription – Year 2 (12/05/2026 - 12/04/2027)	**$202,500.00**
			Total Annual Software Subscription – Year 3 (12/05/2027 - 12/04/2028)	**$202,500.00**
			Total Annual Software Subscription – Year 4 (12/05/2028 - 12/04/2029)	**$212,625.00**
			Total Annual Software Subscription – Year 5 (12/05/2029 - 12/04/2030)	**$223,256.25**

Fee for Year 1 is the annual amount. Please consult Section 3 of the Terms and Conditions for the prorated payment, if applicable.

Addendums:

1. Annual Software Subscription Details
2. Supplemental Terms for Support and Maintenance (the "Support Terms")
3. Availability Service Level Agreement; Data Security and Restoration

TERMS AND CONDITIONS

1. Terms and Conditions. This Order Form is subject to the Order Form between Trimble and Customer dated 12/01/2024 and the above referenced Addendums ("**Agreement**").

2. ***RENEWALS.*** ***This Order may be renewed by mutual written agreement of the Parties.***

3. Payment Terms. All fees are due Net 30 from the date of the Trimble invoice.

- **Annual Software Subscription:** Trimble will invoice:
  - Prorated Year 1 in the amount of $33,252.79 upon execution of this Order Form. Fee for Year 1 reflects the full year amount of $202,500.00 pro-rated for a period of 07/01/2026 - 12/04/2026 and taking into account the amount previously paid for Cityworks during the Prorated Term, in the annual amount of $125,192.55.
  - Year 2 in the amount of $202,500.00 upon the 11/05/2026 ;
  - Year 3 in the amount of $202,500.00 upon the 11/05/2027;
  - Year 4 in the amount of $212,625.00 upon the 11/05/2028; and
  - Year 5 in the amount of $223,256.25 upon the 11/05/2029.

4. Annual Price Increase. At each renewal, Trimble has a right to increase the annual fees by the greater of (a) CPI plus two percent (2%) or (b) eight percent (8%). "CPI" shall mean for all Urban Consumers, the U.S. City Average, for all items, 1982-84=100 (the "CPI-U"), as published by the Bureau of Labor Statistics, U.S. Department of Labor, and shall be for the prior twelve months as of the date the calculation is made. Trimble will provide advance written notice of any price increases 60 days prior to the renewal date.

5. Electronic Invoices. Customer hereby consents to the receipt of invoices electronically at the indicated e-mail address(es) and accepts such invoices as if received by mail. Customer's e-mail address may be changed by written notice given by Customer to Trimble at: customer_master@trimble.com. Customer is responsible for maintaining a current e-mail address and shall under no circumstances be excused from payment of applicable charges by its failure to access its designated e-mail address.

6. Insurance. At all times during the performance of the work under this Agreement, Trimble shall maintain privacy/network security insurance for: (1) privacy breaches, (2) system breaches, (3) denial or loss of service, and the (4) introduction, implantation or spread of malicious software code, in a form and with insurance companies having an AM Best Rating of A-VII or better .

a. Policy Limits Required

(i) The following insurance limits are required for the Agreement:

Combined Single Limit Cyber Liability	$2,000,000 per occurrence and aggregate

(ii) Defense costs shall be payable in addition to the limits.

(iii) If applicable, Trimble shall include the following parties as Additional Insureds on its general liability and auto policies: The City of Ontario, CA, including its officers, officials, employees, and agents.

(iv) Waiver of Subrogation: Trimble shall require the insurer issuing the Cyber Liability insurance to waive all rights of subrogation against the Customer for losses paid under the policy that arise from services performed under this Agreement. This waiver applies regardless of whether or not Trimble received a waiver of subrogation from the insurer.

7. Due Authority. By signing below, the signatory represents that he/she (i) is an authorized representative of Customer and (ii) has the authority to legally and functionally commit the Customer.

[Signature Page to Follow]

ACCEPTANCE

Accepted and agreed:

CUSTOMER:	**TRIMBLE:**
Signature: _____	Signature: _____
Print Name: _____	Print Name: Carlos Abaunza
Title: _____	Title: Sr. Director, Legal
Date: _____	Date: _____

Addendum #1

Annual Software Subscription Details

Trimble Unity Suite - Unlimited
The Trimble Unity Suite provides access to each Product within the Trimble Unity Suite. Customers who purchase an unlimited subscription for one (1) Product will receive access for five (5) Authorized Users to each of the remaining Products at the Package level described in the Order Form. Customers who purchase an unlimited subscription for two (2) Products will receive access for ten (10) Authorized Users to the remaining Product at the Package level described in the Order Form.

Packages
The following is a breakdown of modules and functionality found within each Package (certain SaaS add-ons which are not included in a package may be purchased separately with pricing reflected on the Order Form). Modules and Functionality may require professional services for implementation or configuration. Professional services can be purchased separately.

Product:	Starter Package	Professional Package	Elite Package
Trimble Unity Construct	Authorized Users delineated on the Order Form get access to Trimble Unity Construct's: ● Core Modules[1] ● Process Module ● Forms Module ● Document Module ● Dashboard Module ● Reports Module ● EZ File Transfer	● Trimble Unity Construct - Starter Included Authorized Users delineated on the Order Form get access to Trimble Unity Construct's: ● Cost Module ● Schedule Module ● Resource Management ● Planning Module ● Bidding Module ● Submittals Module ● Account Level Cost Capability ● Project Level Multi-Currency Capability ● API Professional[2] ● Trimble Unity Field's Construct Functionality[9]	● Trimble Unity Construct - Starter Included ● Trimble Unity Construct - Professional Included Authorized Users delineated on the Order Form get access to Trimble Unity Construct's: ● Data Warehouse Capability ● Shared Trial Environment Capability (Qty 1) ● API Elite[3]
Trimble Unity Maintain	Authorized Users delineated on the Order Form get access to Trimble Unity Maintain's: ● Admin ● Respond ● Style	● Trimble Unity Maintain - Starter Included Authorized Users delineated on the Order Form get access to Trimble Unity Maintain's: ● Storeroom Capability ● Workload Capability ● Equipment Checkout Capability ● OpX Projects Capability ● eURL Capability ● Web Hooks Capability ● Web Services Access[4] ● Analytics for Trimble Unity Maintain Capability ● Trimble Unity Field's Maintain Functionality[9]	● Trimble Unity Maintain - Starter Included ● Trimble Unity Maintain - Professional Included Authorized Users delineated on the Order Form get access to Trimble Unity Maintain's: ● OpX Contracts Capability ● OpX Budgets Capability ● Trimble Unity Maintain Advanced APIs[5] ● Operational Insights Capability ● Sandbox Capability (Qty 1)[8]
Trimble Unity Permit	Authorized Users delineated on the Order Form get access to Trimble Unity Permit's:	● Trimble Unity Permit - Starter Included Authorized Users delineated on the	● Trimble Unity Permit - Starter Included ● Trimble Unity Permit - Professional Included

	● Admin ● Respond ● Style ● Task Manager Capability	Order Form get access to Trimble Unity Permit's: ● Public Access Capability ● Workload Capability ● OpX Projects Capability ● eURL Capability ● Web Hooks Capability ● Web Services Acecss[6] ● Analytics for Trimble Unity Permit Capability ● Trimble Unity Field's Permit Functionality[9]	Authorized Users delineated on the Order Form get access to Trimble Unity Permit's: ● Advanced APIs[7] ● Storeroom Capability ● Analytics for Storeroom Capability ● Sandbox Capability (Qty 1)[8]

[1]Trimble Unity Construct Core Modules include Home, Projects, Contacts & Setup

[2]Trimble Unity Construct API Professional - Access to Trimble Unity Construct's Public API's. Access is limited to 15,000 calls per day.

[3]Trimble Unity Construct API Elite - Access to Trimble Unity Construct's Public API's. Access is limited to an additional 15,000 calls per day on top of the 15,000 allotted in Trimble Unity Construct API Professional.

[4]Use of Trimble Unity Maintain Application Programming Interface (APIs) with commercially available Trimble Unity Maintain-centric applications that are licensed and maintained by authorized Trimble Unity Maintain partners. Please contact Trimble for a list of commercially available partner applications that qualify for use with the Trimble Unity Maintain-centric APIs available in the Professional License Package. If the partner app is not listed, then the Trimble Unity Maintain Advanced API's in the Elite License Package are required for 3rd party integrations.

[5]Use of Trimble Unity Maintain Application Programming Interface (APIs) with third party system integrations.

[6]Use of Trimble Unity Permit Application Programming Interface (APIs) with commercially available Trimble Unity Permit-centric applications that are licensed and maintained by authorized Trimble Unity Permit partners. Please contact Trimble for a list of commercially available partner applications that qualify for use with the Trimble Unity Permit-centric APIs available in the Professional License Package. If the partner app is not listed, then the Trimble Unity Permit Advanced API's in the Elite License Package are required for 3rd party integrations.

[7]Use of Trimble Unity Permit Application Programming Interface (APIs) with third party system integrations.

[8]Sandbox provided for Trimble Unity Maintain or Trimble Unity Permit shall be limited to two (2) ad hoc refreshes per quarter during initial configuration. After initial configuration is completed, the Sandbox will be refreshed once per quarter at a defined date provided by Trimble. At each refresh, the Sandbox will be replaced with a copy of Customer's Production Environment as of the last available backup. All existing configuration changes in the Sandbox will be permanently deleted during the refresh process and will be replaced by the production backup.

[9]Customer understands and agrees that as of the date of execution of this Order Form, Trimble Unity Field is a new offering. While Trimble undertakes efforts to design all new offerings in accordance with industry standard software development and security protocols, and Trimble Unity Field maintains a current ISO 27001 certificate, it has not yet undergone a SOC 2 Type II audit or an accessibility audit. Thus, Trimble Unity Field may not comply with all provisions of the Agreement including without limitation applicable SOC audit or accessibility provisions. Accordingly, notwithstanding anything to the contrary in the Agreement, Trimble's provision of Trimble Unity Field is not subject to any SOC audit, accessibility, or similar compliance provisions during the Initial Term and any renewals.

Upon prior written notice to the Customer, Trimble reserves the right to audit the Customers account to ensure the Customer has: (1) access to the correct modules and functionality in accordance with the package Customer has purchased and (2) the appropriate number of Authorized Users purchased. Trimble reserves the right to: (1) charge for any over access experienced by the Customer by moving the Customer to the appropriate package or (2) shut off any over access experienced by the Customer.

Addendum #2

Supplemental Terms for Support and Maintenance
Version 1.0 (Last Updated: April 3, 2023)

Capitalized terms not defined herein have the meanings given in the General Terms and the Software Terms.

1. Scope. Provided that Customer has paid the applicable fees, Trimble shall provide the Support described in these Support Terms during the Maintenance Term (as defined below). The "**Maintenance Term**" shall be: (a) for Support for SaaS or Licensed Software licensed for a limited term, the applicable Subscription Term, and (b) for Support for Licensed Software licensed on a perpetual basis, the term specified in the Order, or if not specified, for a period of one (1) year.

2. Support.
2.1 During the applicable Maintenance Term, Trimble shall use reasonable efforts to correct or provide a workaround for any reproducible programming error in the Software attributable to Trimble with a level of effort commensurate with the severity of the error, as reasonably determined by Trimble. Upon identification of any programming error, Customer shall promptly notify Trimble of such error and shall provide Trimble with enough information to reproduce the error, including a listing of output and any other data that Trimble may reasonably request in order to reproduce the error and operating conditions under which the error occurred or was discovered. Trimble shall not be responsible for correcting any errors not attributable to Trimble.
2.2 For certain Software, Trimble may provide additional or different support services or procedures as set forth in the applicable Documentation, support handbook, or other written documentation provided by Trimble, if any (collectively, the "**Additional Support Documentation**"). If there is any conflict between these Support Terms and such Additional Support Documentation with respect to the description of support services, requirements or procedures, the provisions of such Additional Support Documentation will prevail. Customer agrees and acknowledges that Trimble may use third parties to provide Support on its behalf. Customer expressly consents to Trimble permitting such third parties to access Customer's information and data to perform the Support for Customer.

3. Licensed Software Updates and Upgrades. During the applicable Maintenance Term, Customer shall be entitled to receive all upgrades and updates to the Software that are publicly released by Trimble. The contents and timing of all upgrades and updates will be decided by Trimble in its sole discretion. Any such updates and upgrades will be deemed to be "Software" and licensed under the terms and conditions of the Agreement, including any applicable software end user terms or license agreement. Updates and upgrades exclude (a) new versions of the Software (e.g., a change to the left of the decimal in the version number [e.g., 1.x to 2.x] or otherwise designated by Trimble), and (b) any separate modules and other functionality for which Trimble charges a separate fee.

4. Limitations and Exceptions. The following matters are not covered (and Trimble will not have any obligations with respect to such matters) pursuant to these Support Terms:
4.1. Any Software for which applicable fees have not been paid;
4.2. Any problem resulting from the misuse, improper use, alteration, or damage of the Software;
4.2. Any problem resulting from improper or inadequate installation, maintenance, or storage of the Software;
4.3. Any problem caused by modifications of the Software not made or authorized by Trimble;
4.4. Any problem resulting from any hardware or software in either case not developed or supported by by Trimble, including, without limitation: any computers, tablets, disk drives, operating systems, network hardware or software, database, or any other hardware or third-party software;
4.5. Any problem resulting from the combination of the Software with other programming or equipment to the extent that such combination has not been approved by Trimble; and
4.6. Errors in any version of the Software other than the most recent release, provided that Trimble will continue to provide Support for superseded releases for a reasonable period (not to exceed ninety (90) days).

Support excludes on-site visits, installation and training, file conversion, optional products and services, directories, consulting services, shipping charges, or any recommended hardware.

5. Termination or Expiration. Support will automatically terminate with respect to any Software that is no longer licensed for use as a result of expiration or termination of the Agreement, or replacement of the applicable Software with new releases.

Additional Support Documentation

Version 1.1

1. Generally.
   1.1. Trimble shall use the applicable level of effort to correct or provide a workaround for any reproducible error in the Offering attributable to Trimble commensurate with the severity of the error, as reasonably determined by Trimble in accordance with Section 3 (Severity Priority Levels) below.
   1.2. For certain Offerings as set forth in Section 2 below, Trimble may provide a customer support portal (the "**Support Portal**"), which may allow Customer to submit support requests, report issues, view case histories, search the general knowledge database, and other features, as applicable. In the event of any conflicts between the terms set forth herein and any set forth in the applicable Supportal Portal, the terms herein shall govern.
   1.3. For certain Offerings as set forth in Section 2 below, Trimble will provide support to Customer only by communication with the contacts designated by Customer in the Support Portal or otherwise as instructed by Trimble (each, a "**Authorized Support Contact**"). Customer may update Authorized Support Contact(s) from time to time as instructed by Trimble. Trimble may require the Authorized Support Contact(s) to have the relevant technical knowledge regarding the Offerings necessary to assist Trimble as needed.
   1.4. Upon identification of any error that cannot be resolved by Customer as first line of support (e.g., via the Support Portal, its internal staff, etc.), then Customer (through its Authorized Support Contact(s)) shall promptly notify Trimble of such error and shall provide Trimble with enough information, assistance, and cooperation to reproduce the error, including a listing of output and any other data that Trimble may reasonably request in order to reproduce the error and operating conditions under which the error occurred or was discovered. Trimble shall not be responsible for correcting any errors not attributable to Trimble.

2. Support Portals. Support portals with information about reporting and general availability are described below.

Offering	Support Portal*	Authorized Support Contacts Only?**
Trimble Unity	https://assetlifecycle.trimble.com/en/learn/support	Yes

** Additional phone numbers and hours of availability for contacting Trimble with support requests may be listed in the Support Portal.*

*** For any Products that do not require an Authorized Support Contact, any Authorized User of Customer may contact support.*

3. Severity Priority Levels. As soon as reasonably practicable after Customer submits the relevant case information, Trimble will collect additional information and categorize the issue into one of four classifications as set forth below in good faith. Upon Customer submission of the case information, Trimble will use commercially reasonable efforts to issue a Response (as defined below) by the indicated target response goal set forth below. Once the priority level is determined, Trimble will use the level of effort for resolution described below.

Priority Level*	Priority Criteria	Target Response Goal**	Level of Effort for Resolution
P1	most urgent and impactful	½ hour	Trimble and Customer will prioritize any reasonably available resources to resolve the situation or identify a work around.
P2	urgent and impactful, but usually has an acceptable temporary workaround	½ hour	Trimble and Customer will prioritize any reasonably available resources during standard business hours to resolve the situation or identify a work around.
P3	important, but not urgent and impactful	4 hrs	Trimble and Customer will use generally available resources during standard business hours to resolve the situation or identify a work around.
P4	a low priority, informational, or an enhancement request	24 hrs	Trimble and Customer are willing to use generally available resources during standard business hours to provide information or assistance.

** See Priority Matrix and definitions below. The main factors in determining priority level are urgency and impact. Trimble will also consider in good faith any additional relevant facts and circumstances in consultation with Customer that may result in a mutually agreed upon change in priority level.*

*** The use of the term "hour(s)" refers to business hours based on Trimble's regular business schedule, and excludes nights, weekends and locally-observed holidays (e.g., 24 hrs equals 3 business days at 8 hrs a day). "Response" means acknowledgment of the issue via the creation of a case number. Determination of priority level will occur as soon as practicable thereafter.*

Priority matrix					
		Impact			
		Widespread	**Large**	**Localized**	**Individualized**
Urgency	**Critical**	P1	P1	P2	P2
	High	P1	P2	P2	P3
	Medium	P2	P3	P3	P3
	Low	P4	P4	P4	P4

Definitions		
Impact	Impact is a measure of the number of users, sites, or devices affected.	**Widespread**. More than three quarters of users or devices are affected.
		Large. (1) Multiple sites are affected or (2) between one-half and three-quarters of users or devices are affected.
		Localized. (1) A single site is affected or (2) less than one half of users or devices are affected.
		Individualized. A single or a small number of users or devices are affected.
Urgency	Urgency is a measure of the severity of the issue on the Customer's operations.	**Critical**. Use of Offering as a whole or core functionality is stopped with no work around and with severe immediate impact to the Customer's operations (e.g., outage).
		High. Use of Offering as a whole or core functionality is severely degraded or a work around is available, and with immediate impact to the Customer's operations.
		Medium. Use of Offering or any functionality is not working as expected, and can be addressed through education, training, work around, work order, or a future enhancement.
		Low. All other requests that are not the above.

4. Additional Limitations and Conditions.

(a) Unless otherwise expressly provided by Trimble in writing, Trimble does not support: (i) use of the Offering in a manner other than as authorized in the Agreement; (ii) conversions of Customer's databases to accommodate new hardware or software, (iii) Customer Data debugging or manipulation, (iv) recurring support issues where Customer failed to initiate corrective actions previously recommended by Trimble or to provide information requested by Trimble, (v) implementation, report creation, onsite support, customizations (e.g., scripting

or integration), or assistance with server migrations are not included as part of Support, but such services but may be purchased separately, (vi) any Offering where Customer has failed to meet its obligations with respect to the Agreement, including, without limitation, as set forth below.

(b) Customer must (i) require its personnel to obtain adequate training to operate the Offering, (ii) if required by Trimble for the particular Offering, designate Authorized Support Contacts who will submit all support cases to Trimble, (iii) provide internet and/or network access for Trimble when requesting support; and (iv) provide all information and assistance reasonably requested by Trimble related to the support request.

(c) For Licensed Software not hosted by Trimble, Customer is responsible for (i) securing the server environment, local network, and system security and protocols, including having staff qualified to assume responsibility for management administration and support for Customer's hardware, database, and any Third-Party Materials, Dependencies, or Compatibilities, (ii) maintaining regular and frequent data backups, and recovering such data if necessary from backups maintained by Customer, (iii) establishing a secure method of access to Customer's network as well as maintaining security protocols for Customer's network; and (iv) incorporating Releases and any associated data migration.

(d) If any Customer support request is subject to any of the foregoing, then Trimble reserves the right to impose support fees at its then standard commercial time and materials rates for all such services, including pre-approved travel and per diem expenses to be reimbursed consistent with Customer's policies. Trimble will notify Customer in advance of incurring any such fees.

Addendum #3

Service Level Agreement; Data Security, Restoration, and Accessibility

Version 2.0

1. Availability Service Level Agreement

For any Offering that is either (i) Software-as-a-Service or (ii) Licensed Software hosted by Trimble, the following will apply.

1.1. Target Availability. Trimble will use commercially reasonable efforts to make the Offering available with an uptime availability (time periods during which Customer has general connectivity to the Offering) (the "**Target Availability**") as follows:

Offering / Target Availability*
Trimble Unity Construct / 99.95%
Trimble Unity Maintain / 99.95%
Trimble Unity Permit / 99.95%

**Target Availability is generally for a calendar month; provided that Trimble Unity target availability will be calculated on a quarterly basis.*

1.2. Exclusions. The calculation of uptime will not include unavailability to the extent due to: (a) Customer's use of the Offering in a manner not authorized in the Agreement or Documentation, (b) general Internet problems, force majeure events or other factors outside of Trimble's reasonable control, including without limitation interruption or failure of telecommunications or digital transmission links, hostile network attacks, network congestion, denial of service attack, (c) Customer's equipment, software, network connections or other infrastructure, (d) any acts or omissions of Customer or any third-party that is not a service provider of Trimble, (e) failure by Customer to pay any applicable fees under the Agreement, or (f) Scheduled Maintenance or emergency maintenance.

1.3. Scheduled Maintenance. "**Scheduled Maintenance**" means Trimble's scheduled, routine, or other maintenance which (1) occurs at such times as may be listed on Trimble's websites or Support Portal, or (2) Trimble notifies Customer with at least two (2) days advance notice, which can be via the Support Portal, e-mail, or in the Offering. Trimble reserves the right to schedule other maintenance periods on an as needed basis and will notify Customer in advance. Trimble will use commercially reasonable efforts to perform Scheduled Maintenance during low usage times.

1.4. Service Credits. If there is a verified failure of the Offering to meet Target Availability in a particular month and Customer makes a request for service credit within thirty (30) days after the end of such month, Customer will be entitled to a credit based on the monthly fees due for the affected Offering in such month ("**Service Credit**"). The Service Credit will be calculated as follows:

*Service Credit = Pro Rata Fee * percentage of time that the Offering did not meet the Target Availability*

The "**Pro Rata Fee**" means (1) for Target Availability measured monthly, one-twelfth of the total annual fee for the Offering (excluding taxes, etc.), and (2) for Target Availability measured quarterly, one-fourth of the total annual fee for the Offering (excluding taxes, etc). The Service Credit will be calculated to the nearest 30-minute interval. The total Service Credits in a month may not exceed 20% of the Monthly Fee.

Trimble will apply each Service Credit to Customer's next invoice, provided that Customer's account is fully paid up, without any outstanding payment issues or disputes. Customer will not receive any refunds for any unused Service Credits.

1.5. Sole Remedy. Service Credits constitute liquidated damages and are not a penalty. The Service Credits set forth in this Section are Customer's sole and exclusive remedy for any failure to meet the Target Availability.

2. Data Security, Restoration, and Accessibility

2.1. Software-as-a-Service.

a) General. Trimble or its third-party hosting provider(s) shall use commercially reasonable efforts to establish and maintain reasonable administrative, physical, and technical safeguards designed to (a) protect the security, confidentiality, and integrity of Customer Data, (b) protect against anticipated threats or hazards to the security, confidentiality, and integrity of Customer Data; (c) protect against unauthorized access to or use of Customer Data; and (d) protect against unlawful processing, accidental destruction, or loss of Customer Data.

b) Data Backups. Backup of all Customer Data hosted in the cloud will be continuous, immutable, and virtual. Trimble will maintain a recovery time objective (RTO) of 4 hours and a recovery point objective (RPO) of 15 minutes.

c) Data Restoration. Trimble will use reasonable efforts to restore lost or damaged Customer Data for Offerings deployed as Software-as-a-Service, as described in this paragraph, if the loss or damage was caused by Trimble. Trimble will consult with Customer and provide information to Customer regarding the availability of backups and the potential limitations of data restoration. Customer understands that some data loss may result upon restoration based on the frequency and availability of backups. If Customer Data loss or damage is not caused by Trimble, Trimble will provide support and technical assistance for data restoration subject to Trimble's availability and payment of applicable fees at Trimble's then-current hourly rates.

d) Data Location. For customers located in the United States, all Customer Data will be hosted and stored within the continental United States. For customers located in Canada, all Customer Data will be hosted and stored within Canada.

e) Data Encryption. All Customer Data will be encrypted at rest and in transit utilizing government-certified Advanced Encryption

Standard (AES) cipher algorithms with a 256-bit or better encryption key.

f) Disaster Recovery. Trimble will maintain a written Disaster Recovery Plan (DRP) as described in its then current SOC 2 Type II audit report for the applicable Offering.

2.2. SOC Compliance. Current versions of the Trimble Offering(s) referenced in the Order Form will be subject to an annual System and Organization Controls for service organizations ("SOC") 2 Type II audit based on Security, Availability, and Confidentiality Trust Services Criteria and will maintain compliance with those standards during the Term of this Agreement. The SOC 2 Type II audit will be conducted by a licensed Certified Public Accounting firm in accordance with the standards of the American Institute of Certified Public Accountants ("AICPA") Statement on Standards for Attestation Engagements No. 18. At Customer's request, Trimble will provide a copy of the then current SOC 2 Type II audit report annually. The audit report shall be treated as Confidential Information.

2.3. System Testing. Trimble will maintain sole responsibility for establishing, maintaining, testing, and executing all plans and procedures applicable to system backup, disaster recovery, system architecture and security (including without limitation monitoring, audits, vulnerability scans/remediation, and penetration tests), software development, maintenance release schedules, and update management.

2.4. Vulnerability Remediation. Trimble will conduct vulnerability scans of the then current version of each Trimble Offering on a monthly basis. Trimble will use best efforts to remediate identified vulnerabilities as follows:

a. Critical (30 days)
b. High (60 days)
c. Medium & Low (commercially reasonable timeframe)

Note: vulnerability severity ratings referenced above must follow the NIST scoring system (https://nvd.nist.gov/vuln-metrics/cvss).

2.5. Security Incident Notification. Trimble will provide notification of any security incidents affecting a customer's instance, including a data breach, within 72 hours of confirmation.

2.6. Accessibility. During the term of the Agreement, the Trimble Offering(s) referenced in the Order Form may be subject to accessibility audits based on WCAG 2.0 AA standards. Trimble's compliance with any accessibility standards will be limited to its then current Accessibility Conformance Report, which will be provided upon request.

2.7. On Premises Licensed Software. If the Order Form includes any licensed software Products deployed on-premises or through hosting services not provided by Trimble, Trimble does not provide regular support or technical assistance for the repair or restoration of lost or damaged Customer Data as part of support, regardless of the cause. Assistance for restoration may be available subject to Trimble's availability and payment of applicable fees at Trimble's then-current hourly rates.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Adrian Escamilla Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Andrea Ampig, Jacqueline Leon Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 18

SUBJECT: **AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH SWA GROUP, INC., FOR THE ONTARIO MUSEUM OF HISTORY AND ART LANDSCAPE RENOVATION PROJECT**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 1 to the Professional Services Agreement with SWA Group, Inc., of Laguna Beach, California, for on-call Landscape Architectural Services for the Ontario Museum of History and Art Landscape Renovation Project in the amount of $193,300 for a total not-to-exceed contract amount of $293,300 and extend the agreement for an additional one-year term; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

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

FISCAL IMPACT: The recommended Amendment No. 1 to the Professional Services Agreement with SWA Group, Inc., is in the amount of $193,300 for a total not-to-exceed contract amount of $293,300. The Fiscal Year 2025-26 Budget includes appropriations in the Capital Projects-Measure Q Fund for the Ontario Museum of History and Art Landscape Renovation Project.

BACKGROUND & ANALYSIS: In 2019, a Museum Facilities Master Plan was adopted by the City Council. One of the aspects listed in the Master Plan is upgrading the landscaping to incorporate specific education/program areas within the courtyard and surrounding spaces. This includes the Rose Garden restoration and relocation, upgraded walking paths, security, and lighting upgrades.

On June 18, 2024, the City Council approved a Professional Services Agreement with SWA Group,

Inc., for on-call Landscape Architectural Services. Staff recommends approving Amendment No. 1 to the Professional Services Agreement with SWA Group, Inc., for the design of the landscape renovation at the Ontario Museum of History and Art.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

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COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND SWA GROUP, 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 **SWA 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 "Professional Services Agreement" dated June 18, 2024 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to revise the scope of services by adding landscape design to the Museum for the design and construction documents to the D&C24-010 Museum Improvements Project increasing the agreement amount by $193,300.

2.3 Amendment Authority. This Amendment No. 1 is authorized pursuant to Section 3.6.13 of the Agreement.

3. Terms.

3.1 Amendment. Section 3.1.1, 3.1.2 and 3.3.1 of the Agreement is hereby amended in its entirety to read as follows:

"3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional Architecture, Landscape Architecture, and Engineering consulting services necessary for the Project ("Services"). The services are more particularly described in Exhibit "A". All Services

shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations."

"3.1.2 Term. The term of this Agreement shall be from the date set forth in the first paragraph above to June 30, 2028, unless earlier terminated as provided herein. Consultant shall complete the Services within the term if this Agreement, and shall meet any other established schedules and deadlines. The City may, at its sole option, extend the term of this Agreement for not to exceed an additional one (1) year term."

"3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C." The total compensation shall not exceed **Two Hundred Ninety Three Thousand and Three Hundred Dollars ($293,300)** without the written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement."

Scope of Services is hereby amended to add Attachment A which is hereto and incorporated herein by reference. All other previously added or deleted scope of services are retained in their entirety.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 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 SWA GROUP, 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

SWA GROUP, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

Attachment A

SWA Laguna Beach

570 Glenneyre Street
Laguna Beach, California
92651-2453
+1.949.497.5471
www.swagroup.com

Sean O'Malley
Xiao Zheng
Dhaval Barbhaya
Stephen Rydzon

February 19, 2026

City of Ontario
303 East "B" Street
Ontario, CA 91764

Attention: Gil H. Mars, Design & Construction Project Manager
Subject: Ontario Museum of History and Art – Additional Landscape Architectural Services
Purchase Order No. PO-07301
Ontario, San Bernardino County, California

Dear Gil:

This letter is in response to your request for SWA Group to provide Additional Services on the subject project.

SWA has assembled a team of professionals as follows: Tait & Associates, Inc. (TAIT) to provide civil engineering; Candela Engineering, Inc. (Candela) to provide site lighting and electrical engineering; and JJS Structural, Inc. (JJS) to provide structural engineering. Each SWA Sub-consultant has provided detailed services in the corresponding Exhibits.

A. SWA's team will provide landscape schematic design, design development, construction documentation, and construction administration and observation services, as later described, for the following scope items:

1. Pedestrian, bikeways, and decorative vehicular pavements.
2. Landscape walls, steps, railings, and related site elements not a part of the buildings, if any.
3. Planting.
4. Irrigation: High efficiency, weather/ET-based irrigation system downstream from mainline point-of-connection.
5. Preparation of grading plan indicating the grading design through use of contours and/or spot elevations.
6. Fences, trellises, shade structures, decks, and fixed seating devices, if any.
7. Site furnishings including benches, tables, umbrellas, planter pots, trash receptacles, bike racks and drinking fountains, if any.
8. Civil Engineering and Survey services as indicated in Exhibit A.
9. Electrical Engineering and Lighting Design services as indicated in Exhibit B.
10. Structural Engineering Services as indicated in Exhibit C.

B. Sub-consultants Not Contracted to SWA

If requested by the Client, SWA may retain and direct the services of the following professional consultants. Fees for such services are not included in this contract and shall be the subject of future agreements.

swa

1. Ornamental pools and fountains structural, mechanical, and electrical engineering.
2. LEED, green building, sustainability consultant.
3. Graphic design, signage & wayfinding.
4. Building Architecture.
5. Professional perspective renderings.

C. Schematic Design

1. Based on the approved landscape concept plan previously reviewed by SWA and provided by the Client, SWA will prepare schematic design drawings further defining the overall character and treatment of landscape architectural design, and a preliminary estimate of probable landscape construction cost based upon the schematic level design.
2. Civil Engineering and Survey services as indicated in Exhibit A.
3. Electrical Engineering and Lighting Design services as indicated in Exhibit B.
4. Deliverables:
   a. Landscape concept diagram.
   b. Illustrative schematic landscape plan.
   c. Conceptual grading plan.
   d. Lighting concept diagram.
   e. Preliminary plant list, materials and precedents.
   f. Illustrative site sections.
   g. Civil Engineering deliverables as indicated in Exhibit A.
   h. Electrical Engineering and Lighting Design deliverables as indicated in Exhibit B.
   i. Preliminary cost estimate.
   j. Digital 3D model (SketchUp or Rhino).
5. Attend up to four (4) meetings with the Client during this task, if needed.
6. The duration to complete this task is four (4) weeks.

D. Design Development

1. Following approval of the schematic design plans and the Client's authorization to commence design development, SWA shall prepare design development drawings and a preliminary estimate of probable construction cost for SWA's portion of the work. The design development plans will define the character and essentials of the project, including selection of materials. An overall strategy for site soils will be identified, including recommended analysis, stockpiling, removal amendments, etc. Plant selections will be refined based on soils suitability or limitations. Stormwater management, infiltration, and treatment areas will be identified and coordinated with other project consultants.

swa

2. Civil Engineering and Survey services as indicated in Exhibit A.
3. Electrical Engineering and Lighting Design services as indicated in Exhibit B.
4. Deliverables:
    a. Layout and materials plan.
    b. Area enlargement plans.
    c. Grading plan.
    d. Planting plan.
    e. Irrigation typology diagram.
    f. Site furnishings, lighting, materials images.
    g. Plant list.
    h. Sections and/or elevations.
    i. Design development, key element details.
    j. Preliminary water demand estimate.
    k. Preparation of code required Cal Green shade coverage analysis documents.
    l. Civil Engineering deliverables as indicated in Exhibit A.
    m. Electrical Engineering and Lighting deliverables as indicated in Exhibit B.
    n. Preliminary estimate of probable construction costs.
5. No concept design revisions are included during this phase.
6. Attend up to six (6) meetings with the Client during this task, if needed.
7. The duration to complete this task is six (6) weeks.

E. Construction Documentation

1. Upon the Client's approval of the design development plans and preliminary cost estimate, SWA will develop working drawings and technical sections of specifications to construct the work in one (1) drawing package and shall prepare a final estimate of probable construction cost. Technical sections of specifications shall be prepared in the Construction Specifications Institute (CSI) MasterFormat. The Client shall be responsible for Bidding and Contract Requirements and General Requirements divisions of the specifications.
2. SWA shall prepare working drawings and technical sections of specifications to reasonably conform to applicable codes and regulations of governmental bodies having jurisdiction over the work at the time of preparation.
3. In developing working drawings and technical sections of specifications, SWA shall coordinate its services with those of other consultants and to maintain a construction budget in accordance with the preliminary design estimate of probable construction cost accepted by the Client at the end of the preliminary design phase. When the final estimate of probable construction cost is one hundred twenty percent (120%) of the preliminary design budget estimate or less, the final estimate will be acceptable to the Client.

4. Civil Engineering and Survey services as indicated in Exhibit A.
5. Electrical Engineering and Lighting Design services as indicated in Exhibit B.
6. Structural Engineering Services as indicated in Exhibit C.
7. Deliverables:
    a. Material schedules.
    b. Layout plan.
    c. Area enlargement plans.
    d. Irrigation plan.
    e. Irrigation water use calculations, as required.
    f. Tree planting plan.
    g. Ground plane planting plan.
    h. Plant list.
    i. Construction, irrigation, & planting details for all landscape elements.
    j. Mock up details.
    k. Civil Engineering deliverables as indicated in Exhibit A.
    l. Electrical Engineering and Lighting deliverables as indicated in Exhibit B.
    m. Structural Engineering deliverables as indicated in Exhibit C.
    n. Technical landscape specifications in CSI format.
    o. Updated cost estimate.
8. Additional drawing packages, if requested by the Client, are not included in this fee proposal and will be considered Additional Services to be provided for an amount to be agreed upon between the parties in writing.
9. Attend up to eight (8) meetings with the Client during this task, if needed.
10. The duration to complete this task is eight (8) weeks.

F. Bidding Period

1. Attendance in a pre-bid meeting.
2. Assistance with bidder inquiries.
3. Services including negotiating proposals, and assistance in awarding and preparing contracts for construction are not included in this fee proposal, however may be provided as Additional Services.
4. Revising drawings to incorporate RFIs to create the construction set.
5. If requested by the Client, SWA shall assist the Client in reviewing and evaluating bids.
6. Deliverables:
    a. Written evaluations of bid proposals.

swa

7. Attend one (1) meeting with the Client during this task, if needed.
8. The duration to complete this task is four (4) weeks.

G. Construction Administration & Observation

1. SWA shall make periodic site visits, to the extent outlined in Item V. below, to familiarize itself generally with the progress and quality of construction and to determine in general if the construction is proceeding in accordance with SWA's design intent and construction documents. On the basis of its observations while at the site, SWA will keep the Client informed of the progress of construction. SWA may recommend to the Client the rejection of work failing to conform to the contract documents.
2. SWA shall select and pre-tag specimen plant materials that are to be Owner-supplied or proprietarily selected.
3. SWA shall prepare and process change orders with prior approval of Client.
4. SWA shall endeavor to secure compliance by the contractor to the plans and specifications. SWA shall not be responsible for construction means, methods, techniques, sequences or procedures, or job-site safety, in connection with the work and the Client agrees to hold SWA harmless from and against any and all losses, claims, or damages arising out of or related to contractor's errors or omissions, or failure to carry out the work in accordance with the contract documents.
5. Civil Engineering services as indicated in Exhibit A.
6. Deliverables:
    a. Site visit reports.
    b. Submittals review.
    c. Review of mock-ups and shop drawings.
    d. Field sketches for clarifications purposes.
    e. Responses to RFI's.
    f. Punch list report.
    g. Civil Engineering deliverables as indicated in Exhibit A.
7. Approvals
    a. SWA shall assist the Client in filing the appropriate plans and documents which are required to secure the necessary design approvals from the various governmental agencies having jurisdiction over the project, but the Client shall be solely responsible for securing all such approvals.
    b. SWA will provide landscape documentation in PDF format, excludes physical delivery of drawings to the governing agency.
8. Submittals:
    a. Design Review.
    b. Planning Commission.
    c. Parks, Landscape, Public Works Department.
    d. Building Department.

II. DEVELOPMENT BUDGETS

A. As part of the Schematic Design Task, a proposed landscape construction budget for all items of work under the Scope of Services shall be established and approved.

B. This budget shall be revised and approved at the completion of Design Development Task and Construction Documentation Task.

C. If this budget is reduced or increased by more than 20% between the time of approval of the schematic design task and the time of award of a construction contract, cost of modification of drawings and specifications to meet the changed project budget shall be considered Additional Services.

III. DESIGN APPROVAL

Gil Mars has been designated as the person responsible for design direction to SWA for this project and has the authority for design approval. In the event that the design, as approved by Mr. Mars is rejected by others, and re-design is required, such re-design services shall be compensated as Additional Services.

IV. MEETINGS AND CONSTRUCTION SITE VISITS

A. This proposal includes Professional Service time for up to nineteen (19) in-person meetings or virtual online meetings for coordination or presentations with the Client, agencies, consultants, or the Owner, as outlined above, and:

B. Fourteen (14) site visit/construction observation meetings, will be provided that may be scheduled during the following:

1. Client pre-construction coordination.
2. Pre-construction meeting with contractor.
3. Layout of hardscape elements.
4. Mockup review.
5. Fine grading.
6. Irrigation.
7. Civil engineering.
8. Nursery visit.
9. Planting.
10. Punch list/substantial completion (begin establishment period).
11. End of establishment period/final acceptance.

C. Additional meetings with the Client or site/construction observation visits, shall be provided as Additional Services for an amount to be agreed upon between the parties in writing. Travel expenses shall be invoiced as a separate line item.

V. ASSUMPTIONS & EXCLUSIONS TO SCOPE OF SERVICES

A. Assumptions

1. The Client will provide the Geotech report if required.
2. The project site has adequate electrical services and a Dry Utility Consultant will not be needed.

B. Exclusions

1. Items not specifically identified in the scope of services sections of this proposal are excluded from this work effort and if requested by the Client shall be considered Additional Services. The Client shall provide the following information or services as required for the performance of the work. SWA assumes no responsibility for the accuracy of such information or services and shall not be liable for errors or omissions therein. Should SWA be required to provide services in obtaining or coordinating the compilation of this information, such services shall be charged as Additional Services.

   a. Soils testing and/or engineering.

   b. Existing site engineering and utility base information.

   c. Engineering other than that provided within the Scope of Services.

   d. Site environmental studies and documentation.

   e. Interior planting design.

   f. Waterproofing design.

   g. BIM/REVIT or similar.

   h. Permitting fees.

   i. LEED documentation preparation and analyses.

   j. Expediting, code, zoning consultant.

   k. Any item not specifically addressed in this proposal.

2. Fees are based on the use of SWA's standard insurance coverage. Should a project-specific insurance policy be required, SWA will purchase it, and the Client will reimburse SWA for the cost of this policy in addition to this fee.

VI. FEES AND TERMS

Services described above shall be provided for the fixed sum of Two Hundred Fifty-Six Thousand Five Hundred ($256,500) Dollars, not including reimbursable expenses, additional services, or those excluded services.

We estimate the following fee breakdown by task:

Tasks	Fee	Meetings	Duration
Schematic Design	$46,000	4	4 weeks
Design Development	$50,000	6	6 weeks
Construction Documentation	$108,000	8	8 weeks
Biding Period	$5,000	1	4 weeks
Construction Administration & Observation	$47,500	14 site visits	
Fee Total*	$256,500		

*not including reimbursable expenses

SWA shall be reimbursed for out-of-pocket expenses (Reimbursable Expenses) incurred on behalf of Client or as required for the Work. Such reimbursable expenses are to be provided as a separate line item from the fixed fee above We estimate the costs will not exceed $7,500 (approximately 3%) without further authorization from the Client.

Total Contract Value NTE $264,000.

Services will be provided in accordance with the terms and conditions under our As-Needed Professional Services Agreement dated June 18, 2024 which is incorporated and made part of this Agreement by reference.

If you have any questions to clarify the various points above, please contact Principal Steve Rydzon directly.

If this proposal meets with your approval, please issue a formal purchase order so we may commence work.

Sincerely yours,

SWA Group

Sean O'Malley
Contracting Agent
Landscape Architect, CA License #3286
Landscape Architects are licensed by the State of California.

SOM/SR/dp

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EXHIBIT B

this fee.

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Construction Administration & Observation	$47,500	14 site visits	
Fee Total*	$256,500		

*not including reimbursable expenses

EXHIBIT C

VI. FEES AND TERMS

Services described above shall be provided for the fixed sum of Two Hundred Fifty-Six Thousand Five Hundred ($256,500) Dollars, not including reimbursable expenses, additional services, or those excluded services.

We estimate the following fee breakdown by task:

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Construction Administration & Observation	$47,500	14 site visits	
Fee Total*	$256,500		

*not including reimbursable expenses

swa

City of Ontario
Ontario Museum of History and Art – Additional Landscape Architectural Services
February 19, 2026
Page 8 of 8

SWA shall be reimbursed for out-of-pocket expenses (Reimbursable Expenses) incurred on behalf of Client or as required for the Work. Such reimbursable expenses are to be provided as a separate line item from the fixed fee above We estimate the costs will not exceed $7,500 (approximately 3%) without further authorization from the Client.

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Sincerely yours,

SWA Group

Sean O'Malley
Contracting Agent
Landscape Architect, CA License #3286
Landscape Architects are licensed by the State of California.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Cynthia Heredia-Torres Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Andrea Ampig Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 19

SUBJECT: A GOODS AND SERVICES AGREEMENT WITH FLASHPARKING, INC. FOR THE VINEYARD PARKING STRUCTURE PROJECT

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Goods and Services Agreement with Flashparking, Inc., of Austin, Texas, for the Vineyard Parking Structure Project in the amount of $213,154 plus a 15% contingency of $31,973, for a total not-to-exceed contract amount of $245,127 consistent with the terms and conditions of the Publicly Solicited Contract #PS24290; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The proposed Goods and Services Agreement with Flashparking, Inc. is $213,154 plus a 15% contingency of $31,973, for a total not-to-exceed contract amount of $245,127. If approved, additional appropriations in the Capital Projects – Measure Q and Parking Funds will be included in future quarterly budget updates to the City Council as needed for the Vineyard Parking Structure project.

BACKGROUND & ANALYSIS: On March 18, 2025, the City approved a Design-Build Contract with McCarthy Building Companies, Inc. for the Vineyard Parking Structure project. The structure consists of 1300 parking spots, four elevators, three observation decks, three stairwells with glass, an urban modified facade, and a jumbotron attachment to the structure. Staff recommends

awarding the Goods and Services Agreement to Flashparking, Inc. who will handle the parking operations system for the Vineyard Parking Structure to include a full system base software, pay-on-foot stations, an articulating gate arm kit, and entry/exit kiosks. This system will provide efficient parking while maintaining control, security, and revenue capture. The Vineyard Parking Structure is scheduled to become operational by Fall 2026.

Municipal Code Section 2-6.29 allows for the purchase of supplies and equipment through co-operative purchasing programs, pursuant to California Government Code Section 6502 and City of Ontario Resolution No. 91-141. Cooperative purchasing allows the City to pool its procurement power with other public agencies to obtain lower pricing than otherwise might be possible.

Ontario Vineyard Parking Structure
Q-107953

Proposal for:
Ontario Vineyard Parking Structure - NPP
4/16/2026

Facility at:
TBD
Ontario,CA
91761
United States

Created By:
Jerad Pulver
FlashParking, Inc.
(800) 213-3706
jerad@parkonect.com



Quote Summary

Product Type	Monthly Recurring Subtotal	One-time Subtotal
Hardware	$0.00	$132,477.00
Software Term: 12 months	$720.00	$0.00
Installation	$0.00	$5,950.00
Implementation	$0.00	$3,272.50
Warranty	$0.00	$0.00
Custom	$0.00	$50,925.00
Subtotal	**$720.00**	**$192,624.50**
Texture Fees		**$0.00**
Total		**$192,624.50**

Tax Details

Tax	Monthly	One-time
Sales Tax Details	$0.00	$11,889.24
Total	**$720.00**	**$204,513.74**

The Sales Tax amount above is estimated. The final tax amount will be displayed on the invoice.

Hardware

Product	Qty	Unit Price	Subtotal
Smart Station (RFID+Barcode+Windcave)	4	$13,992.00	$55,968.00
Smart Station Mini (RFID)	1	$2,912.00	$2,912.00
Smart Station (RFID+Barcode+MSR)	2	$12,720.00	$25,440.00
Flash Care Kit Plus for Touch Screen Kiosk-EMV	1	$7,000.00	$7,000.00
Magnetic Gate Column	4	$3,456.00	$13,824.00
Articulating Gate Arm Care Kit	1	$1,040.00	$1,040.00
Magnetic 10' x 98" ADA Articulating Arm	4	$768.00	$3,072.00
TagMaster XT-5 UHF Reader Kit - Includes Reader, Multipurpose cable 25', Universal Mounting kit, Wiegand Board, and Power Supply	5	$3,760.00	$18,800.00
Knox Key Switch	2	$208.00	$416.00
3X6 ft Loop with 50 ft Lead in SC18-50	8	$0.00	$0.00

Product	Qty	Unit Price	Subtotal
Network Kit	1	$2,000.00	$2,000.00
Universal mounting pole	5	$248.00	$1,240.00
Tagmaster Windshield Sticker Tag - NA1300	100	$7.65	$765.00
Smart Station Mini Hat FP Grey	1	$0.00	$0.00
Total			**$132,477.00**

Installation

Product	Qty	Unit Price	Subtotal
Shipping and Handling	16	$212.50	$3,400.00
EMV Gateway Setup	1	$2,550.00	$2,550.00
Total			**$5,950.00**

Implementation

Product	Qty	Unit Price	Subtotal
Implementation Fee	16	$765.00	$765.00
Travel & Expenses	16	$0.00	$0.00
Software Suite and Configuration for FULL system-Flash	1	$2,507.50	$2,507.50
Total			**$3,272.50**

Warranty

Product	Qty	Unit Price	Subtotal
PARCS Two Year Standard Warranty	7	$0.00	$0.00
Total			**$0.00**

Software - Term: 12 months

Product	Qty	Monthly Cost
Mobile App Module (for managing parking operations)	1	Included
Access via Mobile and/or 10 Key	1	Included
Validation Module	1	$135.00
Full System Base Software - Flash Term: 12	1	$270.00

Product	Qty	Monthly Cost
Ongoing PCI compliance + Software Updates and general software patches Term: 12	1	Included
Real-time Reporting Suite	1	Included
24/7 Phone and Online Support	1	Included
Full System - Device Software License - Flash Term: 12	7	$315.00
Managed Network Services with 4G/LTE Back-up	1	Included
Total		**$720.00**

Custom

Product	Qty	Unit Price	Monthly Recurring Subtotal	One-time Subtotal
Network Pulls Network pulls to all in lane kiosk(s), Pay on Foot(s) and AVI devices. 150ft from MPOE to main lanes and afterhours reader. POF 1 270' pull from MPOE room. POF 2 350' pull from MPOE room.	1	$10,725.00	$0.00	$10,725.00
Prevailing Wage Installation Install: (2) Entry Kiosk (2) Exit Kiosk (4) Gates (2) Pay on Foot stations (1) Afterhours Reader (5) AVI Readers (	1	$40,200.00	$0.00	$40,200.00
Total			**$0.00**	**$50,925.00**

Optional

Product	Qty	Unit Price	Monthly Recurring Subtotal	One-time Subtotal
Custom Vinyl Wrap - Smart Station Cash Machine	2	$680.00	$0.00	$1,360.00
Custom Vinyl Wrap - Smart Station Mini Hat	1	$80.00	$0.00	$80.00
Custom Vinyl Wrap - Smart Station	6	$680.00	$0.00	$4,080.00
Custom Vinyl Wrap - Smart Station Mini	1	$680.00	$0.00	$680.00
Smart Station Bank Note Recycler (BNR) FP Grey	2	$16,352.00	$0.00	$32,704.00
Spare Cash Box for Bill Recycler	1	$816.00	$0.00	$816.00
Automatic Vehicle Identification (AVI) Installation	5	$90.00	$0.00	$2,790.00
Gate Installation	4	$3,375.00	$0.00	$13,500.00

Product	Qty	Unit Price	Monthly Recurring Subtotal	One-time Subtotal
Smart Station Installation	7	$525.00	$0.00	$20,325.02
Cash Machine Installation	2	$1,912.50	$0.00	$3,825.00
Bollard Assembly	10	$248.00	$0.00	$2,480.00
Total			**$0.00**	**$82,640.02**

Lane Details

Facility Level Group

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Full System Base Software - Flash	1	$3,240.00	$270.00	$0.00
Full System - Device Software License - Flash	7	$540.00	$315.00	$0.00
Managed Network Services with 4G/LTE Back-up	1	Included	$0.00	$0.00
Ongoing PCI compliance + Software Updates and general software patches	1	Included	$0.00	$0.00
Mobile App Module (for managing parking operations)	1	Included	$0.00	$0.00
Real-time Reporting Suite	1	Included	$0.00	$0.00
24/7 Phone and Online Support	1	Included	$0.00	$0.00
Access via Mobile and/or 10 Key	1	Included	$0.00	$0.00
Validation Module	1	$1,620.00	$135.00	$0.00
EMV Gateway Setup	1	$2,550.00	$0.00	$2,550.00
Implementation Fee	16	$765.00	$0.00	$765.00
PARCS Two Year Standard Warranty	7	$0.00	$0.00	$0.00
Shipping and Handling	16	$212.50	$0.00	$3,400.00
Software Suite and Configuration for FULL system-Flash	1	$2,507.50	$0.00	$2,507.50
Travel & Expenses	16	$0.00	$0.00	$0.00
Reservations	1	$0.00	$0.00	$0.00
Articulating Gate Arm Care Kit	1	$1,040.00	$0.00	$1,040.00
Flash Care Kit Plus for Touch Screen Kiosk-EMV	1	$7,000.00	$0.00	$7,000.00
Network Kit	1	$2,000.00	$0.00	$2,000.00
Tagmaster Windshield Sticker Tag - NA1300	100	$7.65	$0.00	$765.00
Custom Installation and Setup - CapEx	2	$10,725.00	$0.00	$50,925.00
Total			**$720.00**	**$70,952.50**

Ontario Vineyard Parking Structure - Entry 1

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Smart Station (RFID+Barcode+MSR)	1	$12,720.00	$0.00	$12,720.00
Barrier Gate Kit	1	$0.00	$0.00	$0.00
Magnetic Gate Column	1	$3,456.00	$0.00	$3,456.00
Magnetic 10' x 98" ADA Articulating Arm	1	$768.00	$0.00	$768.00
3X6 ft Loop with 50 ft Lead in SC18-50	2	$0.00	$0.00	$0.00
TagMaster XT-5 UHF Reader Kit - Includes Reader, Multipurpose cable 25', Universal Mounting kit, Wiegand Board, and Power Supply	1	$3,760.00	$0.00	$3,760.00
Universal mounting pole	1	$248.00	$0.00	$248.00
Knox Key Switch	1	$208.00	$0.00	$208.00
Total			**$0.00**	**$21,160.00**

Ontario Vineyard Parking Structure - Entry 2

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Smart Station (RFID+Barcode+MSR)	1	$12,720.00	$0.00	$12,720.00
Barrier Gate Kit	1	$0.00	$0.00	$0.00
Magnetic Gate Column	1	$3,456.00	$0.00	$3,456.00
Magnetic 10' x 98" ADA Articulating Arm	1	$768.00	$0.00	$768.00
3X6 ft Loop with 50 ft Lead in SC18-50	2	$0.00	$0.00	$0.00
TagMaster XT-5 UHF Reader Kit - Includes Reader, Multipurpose cable 25', Universal Mounting kit, Wiegand Board, and Power Supply	1	$3,760.00	$0.00	$3,760.00
Universal mounting pole	1	$248.00	$0.00	$248.00
Knox Key Switch	1	$208.00	$0.00	$208.00
Total			**$0.00**	**$21,160.00**

Ontario Vineyard Parking Structure - Exit 1

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Barrier Gate Kit	1	$0.00	$0.00	$0.00
Magnetic Gate Column	1	$3,456.00	$0.00	$3,456.00
Magnetic 10' x 98" ADA Articulating Arm	1	$768.00	$0.00	$768.00
3X6 ft Loop with 50 ft Lead in SC18-50	2	$0.00	$0.00	$0.00
TagMaster XT-5 UHF Reader Kit - Includes Reader, Multipurpose cable 25', Universal Mounting kit, Wiegand Board, and Power Supply	1	$3,760.00	$0.00	$3,760.00
Universal mounting pole	1	$248.00	$0.00	$248.00
Smart Station (RFID+Barcode+Windcave)	1	$13,992.00	$0.00	$13,992.00
Total			**$0.00**	**$22,224.00**

Ontario Vineyard Parking Structure - Exit 2

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Barrier Gate Kit	1	$0.00	$0.00	$0.00
Magnetic Gate Column	1	$3,456.00	$0.00	$3,456.00
Magnetic 10' x 98" ADA Articulating Arm	1	$768.00	$0.00	$768.00
3X6 ft Loop with 50 ft Lead in SC18-50	2	$0.00	$0.00	$0.00
TagMaster XT-5 UHF Reader Kit - Includes Reader, Multipurpose cable 25', Universal Mounting kit, Wiegand Board, and Power Supply	1	$3,760.00	$0.00	$3,760.00
Universal mounting pole	1	$248.00	$0.00	$248.00
Smart Station (RFID+Barcode+Windcave)	1	$13,992.00	$0.00	$13,992.00
Total			**$0.00**	**$22,224.00**

Ontario Vineyard Parking Structure - POF

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Smart Station (RFID+Barcode+Windcave)	1	$13,992.00	$0.00	$13,992.00
Total			**$0.00**	**$13,992.00**

Ontario Vineyard Parking Structure - POF 2

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Smart Station (RFID+Barcode+Windcave)	1	$13,992.00	$0.00	$13,992.00
Total			**$0.00**	**$13,992.00**

Ontario Vineyard Parking Structure - After Hours

Product	Qty	Unit Price	Monthly Cost	One-time Cost
Smart Station Mini (RFID)	1	$2,912.00	$0.00	$2,912.00
Smart Station Mini Hat FP Grey	1	Included	$0.00	$0.00
TagMaster XT-5 UHF Reader Kit - Includes Reader, Multipurpose cable 25', Universal Mounting kit, Wiegand Board, and Power Supply	1	$3,760.00	$0.00	$3,760.00
Universal mounting pole	1	$248.00	$0.00	$248.00
Total			**$0.00**	**$6,920.00**

DISCLAIMERS

CUSTOMER UNDERSTANDS THE PURCHASE AND USE OF ANY PRODUCTS AND SERVICES FROM THE COMPANY ARE SUBJECT TO THE COMPANY'S POLICIES, INCLUDING ITS TERMS AND CONDITIONS, WHICH CAN BE FOUND AT http://www.flashparking.com/LEGAL/

Docusign Envelope ID: A1114490-2072-48B4-BA59-EF65E6B02985

LEAGUE OF OREGON CITIES

MASTER PRICE AGREEMENT

This Master Price Agreement is effective as of the date of the last signature below (the "Effective Date") by and between the LEAGUE OF OREGON CITIES, an Oregon public corporation under ORS Chapter 190 ("LOC" or "Purchaser") and FlashParking, Inc. (together with its subsidiaries and affiliates, "Vendor").

RECITALS

WHEREAS, the Vendor is in the business of selling certain Electronic Road and Parking Management Systems, as further described herein; and

WHEREAS, the Vendor desires to sell and the Purchaser desires to purchase certain products and related services all upon and subject to the terms and conditions set forth herein; and

WHEREAS, through a solicitation for Electronic Road and Parking Management Systems the Vendor was awarded the opportunity to complete a Master Price Agreement with the LEAGUE OF OREGON CITIES as a result of its response to Request for Proposal No. 2455 for Electronic Road and Parking Management Systems; and

WHEREAS, the LEAGUE OF OREGON CITIES asserts that the solicitation and Request for Proposal meet Oregon public contracting requirements (ORS 279, 279A, 279B and 279C et. seq.); and

WHEREAS, Purchaser and Vendor desire to extend the terms of this Master Price Agreement to benefit other qualified government members of National Purchasing Partners, LLC dba Public Safety GPO, dba First Responder GPO, dba Law Enforcement GPO and dba NPPGov;

NOW, THEREFORE, Vendor and Purchaser, intending to be legally bound, hereby agree as follows:

ARTICLE 1 – CERTAIN DEFINITIONS

1.1 "Agreement" shall mean this Master Price Agreement, including the main body of this Agreement and Attachments A-F attached hereto and by this reference incorporated herein, including Purchaser's Request for Proposal No. 2455 (herein "RFP") and Vendor's Proposal submitted in response to the RFP (herein "Vendor's Proposal") as referenced and incorporated herein as though fully set forth (sometimes referred to collectively as the "Contract Documents").

1.2 "Applicable Law(s)" shall mean all applicable federal, state, tribal, and local laws, statutes, ordinances, codes, rules, regulations, standards, orders and other governmental requirements of any kind.

1.3 "Employee Taxes" shall mean all taxes, assessments, charges and other amounts whatsoever payable in respect of, and measured by the wages of, the Vendor's employees (or subcontractors), as required by the Federal Social Security Act and all amendments thereto and/or any other applicable federal, state, tribal or local law.

1.4 "Purchaser's Destination" shall mean such delivery location(s) or destination(s) as Purchaser may prescribe from time to time.

1.5 "Products and Services" shall mean the products and/or services to be sold by Vendor hereunder as identified and described on Attachment A hereto and incorporated herein, as may be updated from time to time by Vendor to reflect products and/or services offered by Vendor generally to its customers.

1.6 "Purchase Order" shall mean any authorized written order for Products and Services sent by Purchaser to Vendor via mail, courier, overnight delivery service, email, fax and/or other mode of transmission as Purchaser and Vendor may from time to time agree.

1.7 "Unemployment Insurance" shall mean the contribution required of Vendor, as an employer, in respect of, and measured by, the wages of its employees (or subcontractors) as required by any applicable federal, state or local unemployment insurance law or regulation.

1.8 "National Purchasing Partners" or "(NPP)" is a subsidiary of two nonprofit health care systems. The Government Division of NPP, hereinafter referred to as "NPPGov", provides group purchasing marketing and administrative support for governmental entities within the membership. NPPGov's membership includes participating public entities across North America.

1.9 "Lead Contracting Agency" shall mean the LEAGUE OF OREGON CITIES, which is the governmental entity that issued the Request for Proposal and awarded this resulting Master Price Agreement.

1.10 "Participating Agencies" shall mean members of National Purchasing Partners for which Vendor has agreed to extend the terms of this Master Price Agreement pursuant to Article 2.6 and Attachment C herein. For purposes of cooperative procurement, "Participating Agency" shall be considered "Purchaser" under the terms of this Agreement.

1.11 "Party" and "Parties" shall mean the Purchaser and Vendor individually and collectively as applicable.

ARTICLE 2 – AGREEMENT TO SELL

2.1 Vendor hereby agrees to sell to Purchaser such Products and Services as Purchaser may order from time to time by Purchase Order, all in accordance with and subject to the terms, covenants and conditions of this Agreement. Purchaser agrees to purchase those Products and Services ordered by Purchaser by Purchase Order in accordance with and subject to the terms, covenants and conditions of this Agreement. The purchase of any equipment, services or software shall also be subject to Vendor's terms and conditions located at www.flashparking.com/legal (the "Vendor Terms"). In the event any Products hereunder are leased pursuant to Vendor's hardware-as-a-service (HAAS) model, Purchaser or the applicable Participating Agency shall be required to enter into a hardware-as-a-service (HAAS) addendum (a "HAAS Addendum") provided by Vendor.

2.2 Vendor may add additional products and services to the contract provided that any additions reasonably fall within the intent of the original RFP specifications. Pricing on additions shall be equivalent to the percentage discount for other similar products. Vendor may provide a web-link with current product listings, which may be updated periodically, as allowed by the terms of the resulting Master Price Agreement. Vendor may replace or add product lines to an existing contract if the line is replacing or supplementing products on contract, is equal or superior to the original products offered, is discounted in a similar or to a greater degree, and if the products meet the requirements of the solicitation. No products may be added to avoid competitive procurement requirements. LOC may reject any additions without cause.

2.3 All Purchase Orders issued by Purchaser to Vendor for Products during the term (as hereinafter defined) of this Agreement are subject to the provisions of this Agreement as though fully set forth in such

Purchase Order. The Vendor retains authority to negotiate above and beyond the terms of this Agreement to meet the Purchaser or Vendor contract requirements.

2.4 Notwithstanding any other provision of this Agreement to the contrary, the Lead Contracting Agency shall have no obligation to order or purchase any Products and Services hereunder and the placement of any Purchase Order shall be in the sole discretion of the Participating Agencies. This Agreement is not exclusive. Vendor expressly acknowledges and agrees that Purchaser may purchase at its sole discretion, Products and Services that are identical or similar to the Products and Services described in this Agreement from any third party.

2.5 In case of any conflict or inconsistency between any of the Contract Documents, the documents shall prevail and apply in the following order of priority:

(i) A HAAS Addendum (if applicable);
(ii) This Agreement;
(iii) The RFP;
(iv) Vendor's Proposal;
(v) Vendor's Terms

Vendor has provided a list of Exceptions to the RFP Solicitation identified in Vendor's Proposal. Vendor's Exceptions are **approved** and by this reference incorporated herein.

2.6 Extension of contract terms to Participating Agencies:

2.6.1 Vendor agrees to extend the same terms, covenants and conditions available to Purchaser under this Agreement to Participating Agencies, that have executed an Intergovernmental Cooperative Purchasing Agreement ("IGA") as may be required by each Participating Agency's local laws and regulations, in accordance with Attachment C. Each Participating Agency will be exclusively responsible for and deal directly with Vendor on matters relating to ordering, delivery, inspection, acceptance, invoicing, and payment for Products and Services in accordance with the terms and conditions of this Agreement as if it were "Purchaser" hereunder. Any disputes between a Participating Agency and Vendor will be resolved directly between them under and in accordance with the laws of the State in which the Participating Agency exists. Pursuant to the IGA, the Lead Contracting Agency shall not incur any liability as a result of the access and utilization of this Agreement by other Participating Agencies.

2.6.2 *This Solicitation meets the public contracting requirements of the Lead Contracting Agency and may not be appropriate under or meet Participating Agencies' procurement laws. Participating Agencies are urged to seek independent review by their legal counsel to ensure compliance with all local, tribal, and state solicitation requirements.*

2.6.3 Vendor acknowledges execution of the Vendor Administration Fee Agreement, Contract Number VA24290, with NPPGov, pursuant to the terms of the RFP.

2.7 Oregon Public Agencies are prohibited from use of Products and Services offered under this Agreement that are already provided by qualified nonprofit agencies for disabled individuals as listed on the Department of Administrative Service's Procurement List ("Procurement List") pursuant to ORS 279.835-.855. See www.OregonRehabilitation.org/qrf for more information. Vendor shall not sell products and services identified on the Procurement List (e.g., reconditioned toner cartridges) to Purchaser or Participating Agencies within the state of Oregon.

ARTICLE 3 – TERM AND TERMINATION

3.1 The initial contract term shall be for three (3) calendar years from the Effective Date of this Agreement ("Initial Term"). Upon termination of the original three (3) year term, this Agreement shall automatically extend for up to three (3) successive one (1) year periods; (each a "Renewal Term"); provided, however, that the Lead Contracting Agency and/or the Vendor may opt to decline extension of the MPA by providing notification in writing at least thirty (30) calendar days prior to the annual automatic extension anniversary of the Initial Term.

3.2 Either Vendor or the Lead Contracting Agency may terminate this Agreement by written notice to the other party if the other Party breaches any of its obligations hereunder and fails to remedy the breach within thirty (30) days after receiving written notice of such breach from the non-breaching party.

ARTICLE 4 – PRICING, INVOICES, PAYMENT AND DELIVERY

4.1 Purchaser shall pay Vendor for all Products and Services ordered and delivered in compliance with the terms and conditions of this Agreement at the pricing discount specified for each such Product and Service on Attachment A. Unless Attachment A expressly provides otherwise, the pricing discount schedule set forth on Attachment A hereto shall remain fixed for the Initial Term of this Agreement; provided that manufacturer pricing is not guaranteed and may be adjusted based on the next manufacturer price increase. Pricing contained in Attachment A shall be extended to all NPPGov, Public Safety GPO, First Responder GPO and Law Enforcement GPO members upon execution of the IGA.

4.2 Vendor shall submit original invoices to Purchaser in form and substance and format reasonably acceptable to Purchaser. All invoices must reference the Purchaser's Purchase Order number, contain an itemization of amounts for Products and Services purchased during the applicable invoice period and any other information reasonably requested by Purchaser, and must otherwise comply with the provisions of this Agreement. Invoices shall be addressed as directed by Purchaser.

4.3 Unless otherwise specified, Purchaser is responsible for any and all applicable sales taxes. Attachment A or Vendor's Proposal (Attachment D) shall specify any and all other taxes and duties of any kind which Purchaser is required to pay with respect to the sale of Products and Services covered by this Agreement and all charges for packing, packaging and loading.

4.4 Purchaser may be responsible for additional costs or expenses of any nature incurred by Vendor in connection with the Products and Services, including without limitation travel expenses and credit card processing fees ("Incidental Expenses"), in each case, as set forth in Vendor's Terms and Vendor's Proposal. Except as specifically set forth in Vendor's Terms, in Vendor's Proposal, and in Attachments A and F, Purchaser shall not be responsible for any additional cost or expenses of any nature incurred by Vendor.

4.5 Price reductions or discount increases may be offered at any time during the contract term by Vendor in its sole discretion and shall become effective upon notice of acceptance from Purchaser.

4.6 Notwithstanding any other agreement of the Parties as to the payment of shipping/delivery costs, and subject to Attachments A, D, and F herein, Vendor shall offer delivery and/or shipping costs prepaid FOB Destination. If there are handling fees, these also shall be included in the pricing.

4.7 Unless otherwise directed by Purchaser for expedited orders, Vendor shall utilize such common carrier for the delivery of Products and Services as Vendor may select; provided, however, that for expedited orders Vendor shall obtain delivery services hereunder at rates and terms not less favorable than those paid by Vendor for its own account or for the account of any other similarly situated customer of Vendor.

4.8 Vendor shall have the risk of loss of or damage to any Products until delivery to Purchaser. Purchaser shall have the risk of loss of or damage to the Products after delivery to Purchaser. Title to Products shall not transfer until the Products have been delivered to and accepted by Purchaser at Purchaser's Destination.

ARTICLE 5 – INSURANCE

5.1 During the term of this Agreement, Vendor shall maintain at its own cost and expense (and shall cause any subcontractor to maintain) insurance policies providing insurance of the kind and in the amounts generally carried by reasonably prudent manufacturers in the industry, with one or more reputable insurance companies licensed to do business in Oregon and any other state or jurisdiction where Products and Services are sold hereunder. Such certificates of insurance shall be made available to the Lead Contracting Agency upon 48 hours' notice. BY SIGNING THE AGREEMENT PAGE THE VENDOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF THIS MASTER PRICE AGREEMENT.

5.2 All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the Lead Contracting Agency. The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the Lead Contracting Agency under such policies. Vendor shall be solely responsible for the deductible and/or self-insured retention and the Lead Contracting Agency, at its option, may require Vendor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

5.3 Vendor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Vendor's employees engaged in the performance of the work or services, as well as Employer's Liability insurance. Vendor waives all rights against the Lead Contracting Agency and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Vendor pursuant to this Agreement.

5.4 Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty days (30 days) prior written notice to the Lead Contracting Agency.

ARTICLE 6 – INDEMNIFICATION AND HOLD HARMLESS

6.1 Vendor agrees that it shall indemnify, defend and hold harmless Lead Contracting Agency, its respective officials, directors, employees, members and agents (collectively, the "Indemnitees"), from and against any and all damages, claims, losses, expenses, costs, obligations and liabilities (including, without limitation, reasonable attorney's fees), suffered by any of the Indemnitees as a result of third-party claims to the extent arising out of, (i) any breach of any covenant, representation or warranty made by Vendor in this Agreement, (ii) any failure by Vendor to perform or fulfill any of its obligations, covenants or agreements set forth in this Agreement, (iii) the negligence or intentional misconduct of Vendor, any subcontractor of Vendor, or any of their respective employees or agents, (iv) any failure of Vendor, its subcontractors, or their respective employees to comply with any Applicable Law, (v) any Employee Taxes or Unemployment Insurance, or (vii) any claim alleging that the Products and Services or any part thereof infringe any third party's U.S. patent, copyright, trademark, trade secret or other intellectual property interest. Such obligation to

indemnify shall not apply where the damage, claim, loss, expense, cost, obligation or liability is due to the breach of this Agreement by, or negligence or willful misconduct of, Lead Contracting Agency or its officials, directors, employees, agents or contractors. The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph. The indemnity obligations of Vendor under this Article shall survive the expiration or termination of this Agreement for two years.

6.2 LIMITATION OF LIABILITY: IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR INJURIES TO PERSONS OR TO PROPERTY OR LOSS OF PROFITS OR LOSS OF FUTURE BUSINESS OR REPUTATION, WHETHER BASED ON TORT OR BREACH OF CONTRACT OR OTHER BASIS, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL EITHER PARTY'S TOTAL LIABILITY HEREUNDER EXCEED AN AMOUNT THAT IS TWO TIMES (2X) THE TOTAL AMOUNT PAID BY THE LEAD PURCHASER OR APPLICABLE PARTICIPATING AGENCY.

6.3 The same terms, conditions and pricing of this Agreement may be extended to government members of National Purchasing Partners, LLC. In the event the terms of this Agreement are extended to other government members, each government member (procuring party) shall be solely responsible for the ordering of Products and Services under this Agreement. A non-procuring party shall not be liable in any fashion for any violation by a procuring party, and the procuring party shall hold non-procuring parties or unrelated purchasing parties harmless from any liability that may arise from action or inaction of the procuring party.

ARTICLE 7 – WARRANTIES

Purchaser shall refer to Vendor's Proposal for all Vendor and manufacturer express warranties, as well as those warranties provided under Attachment B herein.

ARTICLE 8 - INSPECTION AND REJECTION

8.1 Purchaser shall have the right to inspect and test Products at any time prior to shipment, and within a reasonable time after delivery to the Purchaser's Destination. Products not inspected within five (5) days of delivery shall be deemed accepted by Purchaser. The payment for Products shall in no way impair the right of Purchaser to reject nonconforming Products, or to avail itself of any other remedies to which it may be entitled.

8.2 If any of the Products are found at any time to be defective in material or workmanship, damaged, or otherwise not in conformity with the requirements of this Agreement or any applicable Purchase Order, as its exclusive remedy, Purchaser may at its option and at Vendor's sole cost and expense, elect either to (i) return any damaged, non-conforming or defective Products to Vendor for correction or replacement, or (ii) require Vendor to inspect the Products and remove or replace damaged, non-conforming or defective Products with conforming Products. If Purchaser elects option (ii) in the preceding sentence and Vendor fails promptly to make the necessary inspection, removal and replacement, Purchaser, at its option, may inspect the Products and Vendor shall bear the cost thereof. Payment by Purchaser of any invoice shall not constitute acceptance of the Products covered by such invoice, and acceptance by Purchaser shall not relieve Vendor of its warranties or other obligations under this Agreement.

8.3 The provisions of this Article shall survive the expiration or termination of this Agreement.

ARTICLE 9 – SUBSTITUTIONS

Except as otherwise permitted hereunder, Vendor may not make any substitutions of Products, or any portion thereof, of any kind without the prior written consent of Purchaser.

ARTICLE 10 - COMPLIANCE WITH LAWS

10.1 Vendor agrees to comply with all Applicable Laws and at Vendor's expense, secure and maintain in full force during the term of this Agreement, all licenses, permits, approvals, authorizations, registrations and certificates, if any, required by Applicable Laws in connection with the performance of its obligations hereunder. At Purchaser's request, Vendor shall provide to Purchaser copies of any or all such licenses, permits, approvals, authorizations, registrations and certificates.

10.2 Purchaser has taken all required governmental action to authorize its execution of this Agreement and there is no governmental or legal impediment against Purchaser's execution of this Agreement or performance of its obligations hereunder.

ARTICLE 11 – PUBLICITY / CONFIDENTIALITY

11.1 No news releases, public announcements, advertising materials, or confirmation of same, concerning any part of this Agreement or any Purchase Order issued hereunder shall be issued or made without the prior written approval of the Parties. Neither Party shall in any advertising, sales materials or in any other way use any of the names or logos of the other Party without the prior written approval of the other Party.

11.2 Any knowledge or information which Vendor or any of its affiliates shall have disclosed or may hereafter disclose to Purchaser, and which in any way relates to the Products and Services covered by this Agreement shall not, unless otherwise designated by Vendor, be deemed to be confidential or proprietary information, and shall be acquired by Purchaser, free from any restrictions, as part of the consideration for this Agreement.

ARTICLE 12 - RIGHT TO AUDIT

Subject to Vendor's reasonable security and confidentiality procedures, Purchaser, or any third party retained by Purchaser, may at any time during the Initial Term or Renewal Term, as applicable, upon prior reasonable notice to Vendor, during normal business hours, audit the books, records and accounts of Vendor to the extent that such books, records and accounts pertain to sale of any Products and Services hereunder or otherwise relate to the performance of this Agreement by Vendor.

ARTICLE 13 - REMEDIES

Except as otherwise provided herein, any right or remedy of Vendor or Purchaser set forth in this Agreement shall not be exclusive, and, in addition thereto, Vendor and Purchaser shall have all rights and remedies under Applicable Law, including without limitation, equitable relief. The provisions of this Article shall survive the expiration or termination of this Agreement.

ARTICLE 14 - RELATIONSHIP OF PARTIES

Vendor is an independent contractor and is not an agent, servant, employee, legal

representative, partner or joint venture of Purchaser. Nothing herein shall be deemed or construed as creating a joint venture or partnership between Vendor and Purchaser. Neither Party has the power or authority to bind or commit the other.

ARTICLE 15 - NOTICES

All notices required or permitted to be given or made in this Agreement shall be in writing. Such notice(s) shall be deemed to be duly given or made if delivered by hand, by certified or registered mail or by nationally recognized overnight courier to the address specified below:

If to Lead Contracting Agency:

LEAGUE OF OREGON CITIES
1201 Court St. NE
Suite 200
Salem OR 97301
ATTN: Kevin Toon
Email: rfp@ORCities.org

If to Vendor:

FlashParking
2500 Bee Caves Rd
Building III, Suite 400
Austin TX 78746
ATTN: General Counsel
Email: legal@flashos.com

Either Party may change its notice address by giving the other Party written notice of such change in the manner specified above.

ARTICLE 16 - FORCE MAJEURE

Except for Purchaser's obligation to pay for Products and Services delivered, delay in performance or non-performance of any obligation contained herein shall be excused to the extent such failure or non-performance is caused by force majeure. For purposes of this Agreement, "force majeure" shall mean any cause or agency preventing performance of an obligation which is beyond the reasonable control of either Party hereto, including without limitation, fire, flood, sabotage, shipwreck, embargo, strike, explosion, labor trouble, accident, riot, acts of governmental authority (including, without limitation, acts based on laws or regulations now in existence as well as those enacted in the future), acts of nature, and delays or failure in obtaining raw materials, supplies or transportation. A Party affected by force majeure shall promptly provide notice to the other, explaining the nature and expected duration thereof, and shall act diligently to remedy the interruption or delay if it is reasonably capable of being remedied. In the event of a force majeure situation, deliveries or acceptance of deliveries that have been suspended shall not be required to be made upon the resumption of performance.

ARTICLE 17 - WAIVER

No delay or failure by either Party to exercise any right, remedy or power herein shall impair such Party's right to exercise such right, remedy or power or be construed to be a waiver of any default or an acquiescence therein; and any single or partial exercise of any such right, remedy or power shall not preclude

any other or further exercise thereof or the exercise of any other right, remedy or power. No waiver hereunder shall be valid unless set forth in writing executed by the waiving Party and then only to the extent expressly set forth in such writing.

ARTICLE 18 - PARTIES BOUND; ASSIGNMENT

This Agreement shall inure to the benefit of and shall be binding upon the respective successors and assigns of the Parties hereto, but it may not be assigned in whole or in part by Vendor without prior written notice to Purchaser which shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Vendor may assign this Agreement upon written notice but without consent in the event of a sale of all or substantially all of the stock or assets of Vendor.

ARTICLE 19 - SEVERABILITY

To the extent possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under Applicable Law. If any provision of this Agreement is declared invalid or unenforceable, by judicial determination or otherwise, such provision shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions and the rights and obligations of the Parties shall be construed and enforced accordingly.

ARTICLE 20 - INCORPORATION; ENTIRE AGREEMENT

20.1 All the provisions of the Attachments hereto are hereby incorporated herein and made a part of this Agreement. In the event of any apparent conflict between any provision set forth in the main body of this Agreement and any provision set forth in the Attachments, including the RFP and/or Vendor's Proposal, the provisions shall be interpreted, to the extent possible, as if they do not conflict. If such an interpretation is not possible, the provisions set forth in the main body of this Agreement shall control unless a HAAS Addendum is applicable, in which case the HAAS Addendum shall control.

20.2 This Agreement (including Attachments and Contract Documents hereto) constitutes the entire Agreement of the Parties relating to the subject matter hereof and supersedes any and all prior written and oral agreements or understandings relating to such subject matter.

ARTICLE 21 - HEADINGS

Headings used in this Agreement are for convenience of reference only and shall in no way be used to construe or limit the provisions set forth in this Agreement.

ARTICLE 22 - MODIFICATIONS

This Agreement may be modified or amended only in writing executed by Vendor and the Lead Contracting Agency. The Lead Contracting Agency and each Participating Agency contracting hereunder acknowledge and agree that any agreement entered into in connection with any Purchase Order hereunder shall constitute a modification of this Agreement as between the Vendor and the Participating Agency. Any modification of this Agreement as between Vendor and any Participating Agency shall not be deemed a modification of this Agreement for the benefit of the Lead Contracting Agency or any other Participating Agency.

ARTICLE 23 - GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Oregon or in the case of a Participating Agency's use of this Agreement, the laws of the State in which the Participating Agency exists, without regard to its choice of law provisions.

[Signature page to follow]

ARTICLE 24 - COUNTERPARTS

This Agreement may be executed in counterparts all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year last written below.

PURCHASER:

Signature: Patricia M. Mulvihill

Printed Name: Patricia Mulvihill

Title: Executive Director
League of Oregon Cities

Dated: 1/27/2025

VENDOR:

Signature: Wade Bettisworth

Printed Name: Wade Bettisworth

Title: Senior Vice-President
FlashParking, Inc.

Dated: 1/27/2025

Contract Number: PS24290

ATTACHMENT A

to Master Price Agreement by and between VENDOR and PURCHASER.

PRODUCTS, SERVICES, SPECIFICATIONS AND PRICES

PARCS	Discount
All Hardware	20%
All Software	10%
Setup, Installation, Implementation, Configuration, Consumables	15%

Digital Payments	Discount
eReservations* - %	20%
eReservations - $	0%
Scan to Pay and Digital Ticket Checkout - %	0%
Scan to Pay and Digital Ticket Checkout - $	20%

Event System (Zip Park)	Discount
Hardware, Consumables	10%
Software, Setup, Connectivity	20%

EV Charging	Discount
Chargers	6.5%
SaaS	15%
Installation	0%
Shipping	0%
Station Protection and Signage	15%
EMV Readers (CA)	0%

*Discount applies to direct purchases originated on the ParkWhiz mobile application or website; does not include transactions originating from channel partners such as Google Maps, Waze, Apple Maps, Ticketmaster, etc.

ATTACHMENT B

to Master Price Agreement by and between VENDOR and PURCHASER.

ADDITIONAL SELLER WARRANTIES

To the extent possible, Vendor will make available all warranties from third party manufacturers of Products not manufactured by Vendor, as well as any warranties identified in this Agreement and Vendor's Proposal.

ATTACHMENT C

to Master Price Agreement by and between VENDOR and PURCHASER.

PARTICIPATING AGENCIES

The Lead Contracting Agency in cooperation with National Purchasing Partners (NPPGov) entered into this Agreement on behalf of other government agencies that desire to access this Agreement to purchase Products and Services. Vendor must work directly with any Participating Agency concerning the placement of orders, issuance of the purchase orders, contractual disputes, invoicing, and payment. The Lead Contracting Agency shall not be held liable for any costs, damages, etc., incurred by any Participating Agency.

Any subsequent contract entered into between Vendor and any Participating Agency shall be construed to be in accordance with and governed by the laws of the State in which the Participating Agency exists. Each Participating Agency is directed to execute an Intergovernmental Cooperative Purchasing Agreement ("IGA"), as set forth on the NPPGov web site, www.nppgov.com. The IGA allows the Participating Agency to purchase Products and Services from the Vendor in accordance with each Participating Agency's legal requirements as if it were the "Purchaser" hereunder.

ATTACHMENT D

to Master Price Agreement by and between VENDOR and PURCHASER.

Vendor's Proposal
(The Vendor's Proposal is not attached hereto.)
(The Vendor's Proposal is incorporated by reference herein.)

Docusign Envelope ID: A1114490-2072-48B4-BA59-EF65E6B02985

ATTACHMENT E

to Master Price Agreement by and between VENDOR and PURCHASER.

Purchaser's Request for Proposal
(The Purchaser's Request for Proposal is not attached hereto.)
(The Purchaser's Request for Proposal is incorporated by reference herein.)

ATTACHMENT F

to Master Price Agreement by and between VENDOR and PURCHASER.

ADDITIONAL VENDOR TERMS OF PURCHASE, IF ANY.

https://www.flashparking.com/legal/

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
GOODS & SERVICES AGREEMENT

This Agreement is made and entered into as of _____, by and between the City of Ontario, a municipal corporation organized under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City") and **FlashParking, Inc.**, a Corporation with its principal place of business at **2500 Bee Caves Rd, Bldg III, Suite 400, Austin, Texas 78746** ("Vendor"). City and Vendor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

RECITALS

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

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

TERMS

1. SCOPE OF SERVICES.

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

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

2. TERM.

2.1 The term of this Agreement shall be from **June 6, 2026,** to **January 2, 2027**, unless earlier terminated as provided herein. Vendor shall provide all Goods and complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the work.

3. FEES AND PAYMENTS.

3.1 Compensation. Vendor shall receive compensation, including authorized reimbursements, for all Goods provided and Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Two Hundred Thirteen Thousand One Hundred Fifty-Four Dollars ($213,154)** without written approval of City's **City Manager**. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

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

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

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

3.5 Automated Clearing House ("ACH") payments. It is the City's policy to pay its consultant invoices via electronic fund transfers through the ACH network. All payments due and owing pursuant to a properly issued and correct invoice or under this Agreement shall be made through electronic ACH transfers, unless otherwise agreed upon by both Parties in writing. Vendor shall provide the City with ACH payment details whereby the City shall initiate the ACH transfers to Vendor in the amount required pursuant to a properly issued and correct invoice or under this Agreement. Each Party shall undertake any and all required actions and execute any required documents, instruments, or agreements required to effectuate the requirements of this Section. In the event the City erroneously deposits funds into an account, or otherwise deposits funds to which Vendor is not entitled: (1) Vendor shall immediately notify the City and the financial institution; (2) Vendor shall not withdraw any of the funds which were erroneously deposited or to which Vendor is not entitled; and (3) Vendor authorizes both the City and financial institution to take all actions necessary to correct the error and return to the City all funds erroneously deposited or to which Vendor is not entitled.

4. RESPONSIBILITIES OF VENDOR.

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

4.2 Schedule of Services.

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

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

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

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

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

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

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

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

agrees to indemnify, defend and hold City harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

4.8 Reserved.

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

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

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

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

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

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

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

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

4.10.7 Water Quality.

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

4.10.7.2 Liability for Non-Compliance. Failure to comply with the laws, regulations and policies described in this Section is a violation of law that may subject Vendor or City to penalties, fines, or additional regulatory requirements. Vendor shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless,

pursuant to the indemnification provisions of this Agreement, from and against any and all fines, penalties, claims or other regulatory requirements imposed as a result of Vendor's non-compliance with the laws, regulations and policies described in this Section, unless such non-compliance is the result of the sole negligence or willful misconduct of the City, its officials, officers, agents, employees or authorized volunteers.

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

5. PROJECT MANAGEMENT

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

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

6. INSURANCE.

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

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

6.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required

by the State of California and Employer's Liability Insurance. The policy shall not contain any exclusion contrary to the Agreement, including but not limited to endorsements or provisions limiting coverage for (1) contractual liability (including but not limited to ISO CG 24 26 or 21 29); or (2) cross liability for claims or suits by one insured against another.

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

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

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

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

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

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

6.3.1 General Liability. The general liability policy shall include or be endorsed (amended) to state that: (1) using ISO CG forms 20 10 and 20 37, or endorsements providing the exact same coverage, the City of Ontario, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Services or ongoing and complete operations performed by or on behalf of the Vendor, including materials, parts or equipment furnished in connection with such work; and (2) using ISO form 20 01, or endorsements

providing the exact same coverage, the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Vendor's scheduled underlying coverage. Any excess insurance shall contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of the City, before the City's own primary insurance, deductible, or self-insurance shall be called upon to protect it as a named insured. Any insurance, deductible, or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Vendor's insurance and shall not be called upon to contribute with it in any way. Notwithstanding the minimum limits set forth in Section 6.2.2, any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Section 6.3.1.

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

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

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

6.4 Separation of Insureds; No Special Limitations; Waiver of Subrogation. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. All policies shall waive any right of subrogation of the insurer against the City, its officials, officers, employees, agents, and volunteers, or any other additional insureds,

or shall specifically allow Vendor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Vendor hereby waives its own right of recovery against City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

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

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

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

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

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

7. INDEMNIFICATION.

7.1 Scope of Indemnity. To the fullest extent permitted by law, Vendor shall defend, indemnify and hold the City, its officials, employees, agents and volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Vendor, its officials, officers, employees, subcontractors, consultants or agents arising out of or in connection with the Services, the Goods or this Agreement, including without limitation the payment of all expert witness fees, attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Vendor's indemnity obligation shall

not apply to such loss or damage which is caused by the sole negligence or willful misconduct of the City.

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

8. CALIFORNIA LABOR CODE

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

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

8.3 Compliance Monitoring. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Vendor's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Vendor or any subcontractor that affect Vendor's performance of Services, including any delay, shall be Vendor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered

Vendor caused delay and shall not be compensable by the City. Vendor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Vendor or any subcontractor.

9. SAFETY.

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

10. ACCOUNTING RECORDS.

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

11. TERMINATION OF AGREEMENT.

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

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

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

12. GENERAL PROVISIONS.

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

Vendor:

FlashParking, Inc.
2500 Bee Caves Rd, Bldg III, Suite 400
Austin, TX 78746
Attn: Jared Pulver, Regional Sales Manager

City:

City of Ontario
303 East "B" Street
Ontario, CA 91764-4196
Attn: Cynthia Heredia-Torres, Principal Construction Manager

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

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

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

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

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

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

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

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

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

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

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

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

12.13 Prohibited Interests. Vendor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Vendor, to solicit or secure this Agreement. Further, Vendor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Vendor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Vendor further agrees to file, or shall cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

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

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

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

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

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE FOR GOODS & SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND FLASHPARKING, INC.

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

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
Assistant City Clerk

FLASHPARKING, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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

EXHIBIT "A"

SCOPE OF SERVICES

FLASHPARKING WILL HANDLE THE PARKING OPERATIONS SYSTEM FOR VINEYARD PARKING STRUCTURE TO INCLUDE FULL SYSTEM BASE SOFTWARE, PAY ON FOOT STATIONS, ARTICULATING GATE ARM KIT, AND ENTRY/EXIT KIOSKS. THIS SYSTEM WILL PROVIDE EFFICIENT PARKING JOURNEY WHILE MAINTAINING CONTROL, SECURITY AND REVENUE CAPTURE.

EXHIBIT "B"

SCHEDULE OF SERVICES

JUNE 2, 2026, TO JANUARY 2, 2027

EXHIBIT "C"

COMPENSATION

Quote Summary

Product Type	Monthly Recurring Subtotal	One-time Subtotal
Hardware	$0.00	$132,477.00
Software	$0.00	$8,640.00
Installation	$0.00	$5,950.00
Implementation	$0.00	$3,272.50
Warranty	$0.00	$0.00
Custom	$0.00	$50,925.00
Subtotal	**$0.00**	**$201,264.50**
Texture Fees		**$0.00**
Total		**$201,264.50**

Tax Details

Tax	Amount
Sales Tax Details	$11,889.24
Total	**$213,153.74**

The Sales Tax amount above is estimated. The final tax amount will be displayed on the invoice.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Cynthia Heredia-Torres Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Andrea Ampig Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 20

SUBJECT: **AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH ARDURRA GROUP, INC. FOR THE SPORTS COMPLEX OFFSITE IMPROVEMENTS PROJECT**

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Amendment No. 5 to the Design Services Agreement with Ardurra Group, Inc., of Newport Beach, California, for the Sports Complex Offsite Improvements Project in the amount of $664,696 for a total not-to-exceed contract amount of $5,776,771; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

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

FISCAL IMPACT: The proposed Amendment to the Design Services Agreement with Ardurra Group, Inc. is in the amount of $664,696 for a total not-to-exceed contract amount of $5,776,771. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Projects-Measure Q Fund for the Sports Complex Offsite Improvements Project.

BACKGROUND & ANALYSIS: On October 7, 2025, the City Council approved Amendment No. 3 to the Design Services Agreement with Ardurra Group, Inc. for the Sports Empire Offsite Improvements Project. The Sports Empire includes a minor league baseball stadium and various sporting fields that was built in an underdeveloped area of Ontario Ranch. Ardurra Group, Inc. has been working on the design for the sewer, water, recycled water, and storm drain line improvements at the Sports Empire. However, additional civil improvements including driveway cuts, and additional water and sewer lines were identified. If approved, Ardurra Group, Inc. will complete the additional improvements necessary for the Sports Empire Offsite Improvements Project.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 5 TO THE DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ARDURRA GROUP, INC.

1. Parties and Date.

This Amendment No. 5 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and **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 Off-Site Improvements project and increase the compensation amount by $664,696 for a total contract amount not-to-exceed $5,776,771. The Parties have heretofore entered into that Amendment No. 1 dated July 16, 2024, Amendment No. 2 dated November 19, 2024, Amendment No. 3 dated October 7, 2025, and Amendment No. 4 dated April 7, 2026.

2.3 Amendment Authority. This Amendment No. 5 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." 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 **Five Million Seven Hundred Seventy-Six Thousand and Seven Hundred Seventy-One Dollars ($5,776,771)** ("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." The Total Compensation, as may be adjusted upon mutual agreement, shall constitute complete and adequate payment for Services under this Agreement.

Exhibits A and B are hereby amended to add Attachment A which is hereto and incorporated herein by reference. All other previously added or deleted scope of services are retained in their entirety.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 5, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 5. From and after the date of this Amendment No. 5, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 5.

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 5.

3.4 Severability. If any portion of this Amendment No. 5 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

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

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 5 TO THE DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND ARDURRA GROUP, INC.

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 5 as of the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

ARDURRA GROUP, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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

April 9, 2026

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

SUBJECT: Amendment No. 4 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 Runway Bar, Southern California Edison Work Orders, and additional engineering services during construction.

$1,784,432	Amendment No. 1 (Approved 6/4/2024)
$72,780	Amendment No. 2 (Approved 6/4/2024)
$588,842	Amendment No. 3 (Approved 10/7/2025)
$664,696	Amendment No. 5 (this amendment)
$3,110,750	**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 "A" Fee Schedule
Ontario Regional Sports Complex - Offsite Improvements
Amendment No. 5

Task Item	Labor Hours															Subconsultants	Sub Markup	Direct Costs	TOTAL
	Project Director	Quality Control	PM	Street Improvement Design Lead	OMUC Utilities Design Lead	Electrical Design Lead	Permit Coordinator	Project Engineer V	Project Engineer II	Engineer I	CAD Designer III	CAD Designer II	Admin	Labor Hrs	Labor Costs	Dry Utility Consultant			
																Moran	*10%*		
2026 Hourly Rates	$ 325	$ 283	$ 273	$ 273	$ 273	$ 273	$ 206	$ 206	$ 170	$ 130	$ 180	$ 170	$ 118						
Amendment No. 3																			
Runway Bar																			**$ 202,322**
Project Management	2		40										24	66	$ 14,402		$ -		$ 14,402
Civil Site Design	2	16	4	40				60		40	60			222	$ 45,550		$ -		$ 45,550
Water and Sewer Design	2	16	4		40			80	40		60			242	$ 51,270		$ -		$ 51,270
Lighting and EE Design	2	16	4			40		80	40		80			262	$ 54,870		$ -		$ 54,870
Structural Design	2	16	4					60	40		60			182	$ 36,230		$ -		$ 36,230
Additional Work Orders																			**$ 89,940**
Adjust two SCE Vaults to Grade			4											4	$ 1,092	$ 7,400	$ 740		$ 9,232
Frontier Shoefly			4											4	$ 1,092	$ 15,600	$ 1,560		$ 18,252
Chino Avenue Rule 20 Design Assist			4											4	$ 1,092	$ 18,800	$ 1,880		$ 21,772
Riverside Avenue Rule 20 Design Assist			4											4	$ 1,092	$ 22,500	$ 2,250		$ 25,842
Hellman Avenue Rule 20 Design Assist			4											4	$ 1,092	$ 12,500	$ 1,250		$ 14,842
Additional Engineering Services During																			**$ 282,494**
SBCFCD and USFW Permit	2		2				24							28	$ 6,140		$ -		$ 6,140
Additional Submittals	2		4	40	40	40		24	80		80		24	414	$ 92,118		$ -		$ 92,118
Additional RFIs	2		4	40	40	40		24	80		80		24	414	$ 92,118		$ -		$ 92,118
Additional Design Revisions	2		4	40	40	40		24	80		80		24	414	$ 92,118		$ -		$ 92,118
																		Amendment No. 3	**$ 664,696**
Total Hours:	**18**	**64**	**90**	**160**	**160**	**160**	**24**	**352**	**360**	**40**	**500**	**0**	**96**	**2264**					
Total Project Cost:	**$ 5,850**	**$ 18,112**	**$24,570**	**$ 43,680**	**$ 43,680**	**$ 43,680**	**$ 4,944**	**$ 72,512**	**$ 61,200**	**$ 5,200**	**$ 90,000**	**$ -**	**$11,328**		**$ 490,276**	**$ 76,800**	**$ 7,680**	**$ -**	**$ 664,696**

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Adrian Escamilla Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Jacqueline Leon Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 21

SUBJECT: A CONSTRUCTION CONTRACT WITH ELEGANT CONSTRUCTION INC., FOR THE MUSEUM NORTH WING GALLERY PROJECT

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute Construction Contract No. D&C23-009 with Elegant Construction Inc., of Irvine, California for the Museum North Wing Gallery project in the amount of $1,517,000 plus a 20% contingency of $303,400 for a total not-to-exceed contract amount of $1,820,400; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction-related activities.

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

FISCAL IMPACT: The recommended Construction Contract with Elegant Construction, Inc., is $1,517,000 plus a 20% contingency of $303,400 for a total not-to-exceed contract amount of $1,820,400. The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Capital Projects-Measure Q Fund for the Museum North Wing Gallery Project.

BACKGROUND & ANALYSIS: The Museum North Wing Gallery Project will provide significant improvements to the existing museum facility and enhance the visitor experience for the community. The upgrades are intended to modernize the building infrastructure while improving accessibility, functionality, and overall aesthetics of the museum.

Improvements will consist of new flooring, lighting, heating and ventilation systems, a new welcome entrance, and electrical infrastructure upgrades including a new transformer from Southern California Edison.

On April 23, 2026, the City solicited bids for the Museum North Wing Gallery Project. Two bids were received and are listed below:

Vendor	Location	Bid Amount
Blackstar Contractors	Costa Mesa, CA	$750,000
Elegant Construction Inc	Irvine, CA	$1,517,000

Blackstar Contractors, of Costa Mesa, California, submitted the apparent lowest responsible bid and subsequently filed a Notice of Bid Withdrawal on the grounds of a material mistake in the preparation of the bid. The City accepted Blackstar Contractors' Notice of Bid Withdrawal and proceeded with consideration of the remaining responsive bidder. Based on credentials, pricing, and favorable reference checks, Staff recommends awarding Construction Contract No. D&C23-009 to Elegant Construction Inc. The project is estimated to be completed in January 2027.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

ALAN WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA PORADA
DAISY MACIAS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. D&C23-009 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 **Elegant Construction**, 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&C23-009 Museum Improvement: North Wing Gallery

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **200** 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 **One Million Five Hundred Seventeen Thousand Dollars ($1,517,000).** Payment

shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and everyday 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 **$250** for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

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

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

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various

Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

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

ARTICLE 7. INDEMNIFICATION.

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

ARTICLE 8. PREVAILING WAGES.

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

ARTICLE 9. FALSE CLAIMS.

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

[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

Elegant Construction

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____

Contractor's License Number and Classification

_____

DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Management Services Prepared By: Desiree N Weinreb Department: Prepared By: Danielle Guevara Staff Member Presenting: Claudia Y. Isbell, Assistant City Clerk Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 22

SUBJECT: JAY LITTLETON BALL PARK

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute all required agreements and contracts to open Jay Littleton Ball Park for minimum baseball services.

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

FISCAL IMPACT: The total not to exceed cost for improvements will be $150,000.

BACKGROUND & ANALYSIS: Built in 1937, Jay Littleton Ball Park was a historic venue featuring a U-shaped grandstand with exterior wooden siding that accommodated 3,500 spectators. On August 22, 2024, the historic Jay Littleton Ball Park succumbed to a fire in the late-night hours.

Beginning in 2020, the Jay Littleton Ball Park was closed for baseball permits due to the condition of the wooden bleachers. While awaiting repair of the wooden bleachers, the outfield and dugouts were utilized for TV commercial and occasional outdoor events that were limited to the turf outfield.

Prior to the fire, the historic ballfield was a cherished community landmark. It hosted various activities, including local Little League games, film and television production, and small-scale special events hosted by the Ontario Recreation & Community Services Department. The iconic Jay Littleton Ball Park was a monumental piece of history in Ontario.

In order to make the field useable in the short term, the request is to move forward with funding the immediate equipment needs such as safety netting, backstops, etc., not to exceed $150,000, so the field can be used for baseball activities.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Dennis Mejia Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Courtney Jones, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 23

SUBJECT: **A PROFESSIONAL SERVICES AGREEMENT WITH NORTHPOINT CONSULTING, INC., FOR THE EVALUATION OF WASTEWATER AND RECYCLED WATER SERVICE ALTERNATIVES**

RECOMMENDATION:

That the City Council approve and authorize the City Manager, or designee, to execute the Professional Services Agreement with NorthPoint Consulting, Inc., of Arcata, California, for the Evaluation of Wastewater and Recycled Water Service Alternatives for a total not-to-exceed contract amount of $419,700 and a term from July 1, 2026 to December 31, 2027.

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)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT:

The proposed Professional Services Agreement to NorthPoint Consulting, Inc., (NorthPoint), is for a total not-to-exceed amount of $419,700. Expenditures will be based on Northpoint's proposal and negotiated rates.

The Fiscal Year 2026-27 Proposed Budget includes appropriations in the Water and Sewer Capital Funds for the Evaluation of Wastewater and Recycled Water Service Alternatives Project. There is no fiscal impact to the General Fund.

BACKGROUND & ANALYSIS:

On June 3, 2025, City Council authorized Staff to solicit proposals from qualified firms to evaluate the feasibility of wastewater and recycled water service alternatives. The City issued a Request for Qualifications (RFQ) to identify qualified firms, and subsequently a Request for Proposal for this evaluation considering: compliance with Local Agency Formation Commission requirements, regulatory and environmental review processes, property acquisition needs, financial feasibility, and infrastructure concepts, including the possibility of a Joint Powers Authority formation. This effort represents a critical step towards developing long-term, self-reliant options and solutions for wastewater and recycled water services.

The RFP scope includes assessing specific alternatives on wastewater treatment facilities as well as recycled water needs, assessing sewer flows, analyzing service gaps and addressing long-term capacity. The City will also continue assessing potential partnerships with neighboring agencies, including the Inland Empire Utilities Agency (IEUA).

In July 2025, the City received submissions from four (4) consultants through PlanetBids after the solicitation for qualifications.

Consultant	Location
Brady- a WHB Company	San Diego, CA
Hoch Consulting	Oceanside, CA
NorthPoint Consulting Group, Inc.	Arcata, CA
Stetson Engineering, Inc.	San Rafael, CA

From these consultants, NorthPoint and Hoch Consulting were requested to submit complete proposals. Staff reviewed the proposals and negotiated engineering services for the evaluation and feasibility study of wastewater and recycled water service alternatives. Based on their proposal, engineering expertise, successful past completion of this type of work, and capability to perform the work in a timely manner, it is recommended to award the Professional Services Agreement to NorthPoint.

CITY OF ONTARIO
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MAYOR

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MAYOR PRO TEM

JIM W. BOWMAN
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DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
PROFESSIONAL SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered as of _____, by and between the City of Ontario, a municipal corporation organized under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City") and **NorthPoint Consulting Group, Inc.**, a **California Corporation**, with its principal place of business at **1117 Samoa Blvd., Arcata, CA 95521** ("Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing professional engineering services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such professional services for the **Evaluation of Wastewater Treatment Facilities** project ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional engineering consulting services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **July 1, 2026** to **December 31, 2027**, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Compensation.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Four Hundred Nineteen Thousand Seven Hundred Dollars ($419,700**) without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.2.2 Payment of Compensation. Consultant shall submit to City a monthly invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. City shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges. If the City disputes any of Consultant's fees, the City shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth therein. Payment shall not constitute acceptance of any Services completed by Consultant. The making of final payment shall not constitute a waiver of any claims by the City for any reason whatsoever.

3.2.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City, or included in Exhibit "C" of this Agreement.

3.2.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

3.2.5 Automated Clearing House ("ACH") payments. It is the City's policy to pay its consultant invoices via electronic fund transfers through the ACH network. All payments due and owing pursuant to a properly issued and correct invoice or under this Agreement shall be made through electronic ACH transfers, unless otherwise agreed upon by both Parties in writing. Consultant shall provide the City with ACH payment details whereby the City shall initiate the ACH transfers to Consultant in the amount required pursuant to a properly issued and correct invoice or under this Agreement. Each Party shall undertake any and all required actions and execute any required documents, instruments, or agreements required to effectuate the requirements of this Section. In the event the City erroneously deposits funds into an account, or otherwise deposits funds to which Consultant is not entitled: (1) Consultant shall immediately notify the City and the financial institution; (2) Consultant shall not withdraw any of the funds which were erroneously deposited or to which Consultant is not entitled; and (3) Consultant authorizes both the City and financial institution to take all actions necessary to correct the error and return to the City all funds erroneously deposited or to which Consultant is not entitled.

3.3 Responsibilities of Consultant.

3.3.1 Independent Contractor; Control and Payment of Subordinates. The Services

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

3.3.2 Schedule of Services. Consultant shall perform the Services in a prompt and timely manner and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services expeditiously. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

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

3.3.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows: **Annje Dodd, PhD., P.E., Principal Engineer and President of NorthPoint**.

3.3.5 City's Representative. The City hereby designates **Dennis Mejia, P.E., Utilities Engineering Division Manager**, or his/her designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for review and approval of all products submitted by Consultant but not the authority to enlarge the Scope of Services or change the total compensation due to Consultant under this Agreement. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Scope of Services or change the Consultant's total compensation subject to the provisions contained in this Agreement. Consultant shall not accept direction or orders from any person other than the City Manager, City's Representative or his/her designee.

3.3.6 Consultant's Representative. Consultant hereby designates **Annje Dodd, PhD., P.E., Principal Engineer and President of NorthPoint**, or his/her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

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

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

3.3.9 Period of Performance.

3.3.9.1 Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Performance Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

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

3.3.9.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

3.3.10 Laws and Regulations; Employee/Labor Certification.

3.3.10.1 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the City to terminate the Agreement for cause.

3.3.10.2 Employment Eligibility; Consultant. Consultant certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Consultant certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

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

3.3.10.4 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the South Coast Air Quality Management District (SCAQMD) and/or California Air Resources Board (CARB). Consultant shall indemnify City against any fines or penalties imposed by SCAQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its subconsultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

3.3.10.5 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251, *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq*.); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant must additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. City may seek damages from Consultant for delay in completing the Services caused by Consultant's failure to comply with the laws, regulations and policies described in this Section, or any other relevant water quality law, regulation, or policy.

3.3.10.6 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise

all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.3.11 Insurance.

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

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

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than $2,000,000 per occurrence and no less than $4,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

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

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

(D) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Consultant’s profession with limits of not less than $2,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

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

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

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

(B) Automobile Liability: (1) Additional Insured: The City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Vendor or for which the Vendor is responsible. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(C) Professional Liability (Errors & Omissions): (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) This insurance shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. “Covered Professional Services” as designated in the policy must specifically include work performed under this Agreement. The policy must “pay on behalf of” the insured and include a provision establishing the insurer’s duty to defend.

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

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

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

3.3.11.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers,

employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

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

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

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

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

3.3.11.11 Additional Insurance Provisions

(A) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(B) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

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

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

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

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

3.3.11.12 Insurance for Subconsultants. Consultant shall include all subconsultants engaged in any work for Consultant relating to this Agreement as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Consultant's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Consultant shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Consultant shall provide satisfactory evidence of compliance with this section upon request of the City.

3.4 Labor Code Requirements.

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

3.4.2 Registration/DIR Compliance. If the Services are being performed on a public works project of over $25,000 when the project is for construction, alteration, demolition, installation, or repair work, or a public works project of over $15,000 when the project is for maintenance work, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants.

3.4.3 Compliance Monitoring. This Project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR. Any stop orders issued by the DIR against Consultant or any subconsultant that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against Consultant or any subconsultant.

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

3.5 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those Services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

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

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

3.6 Indemnification.

3.6.1 To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

3.6.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.7 General Provisions.

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

3.7.2 Independent Contractors and Subcontracting.

3.7.2.1 Use of Consultants. Consultant is aware of statutory and case law regarding classification of workers as independent contractors, including California Labor Code Section 2750.3 and Dynamex Operations West, Inc. v. Superior Court, 4 Cal. 5th 903 (2018). To ensure that Consultant is in compliance with the California Labor Code, Consultant shall only utilize its employees to provide the Services. Consultant may not provide the services through any independent contractor, subcontractor or subconsultant ("Subcontractor(s)") unless approved by the City as set forth in Section 3.7.2.2 below. Consultant represents and warrants that all personnel who perform the Services on Consultant's behalf are Consultant's employees, and that Consultant complies with all applicable laws, rules and regulations governing its employees, including, but not limited to, the California Labor Code, Unemployment Insurance Code and all applicable Industrial Welfare Commission Wage Orders.

3.7.2.2 Prior Approval Required. Consultant shall not use any Subcontractor to provide the Services, or any portion of the work required by this Agreement, without prior written approval of City. In the event that City authorizes Consultant to use a Subcontractor, Consultant shall enter into a written agreement with the Subcontractor, which must include all provisions of the Agreement, including a restriction on the Subcontractor's use of further independent contractors, subcontractors or subconsultants without the City's prior written consent.

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

Consultant: NorthPoint Consulting Group, Inc.
1117 Samoa Blvd.
Arcata, CA 95521
ATTN: Annje Dodd, PhD., P.E., Principal Engineer and President of NorthPoint

City: City of Ontario

303 East “B” Street
Ontario, CA 91764
ATTN: Dennis Mejia, P.E., Utilities Engineering Division Manager

With Copy To: City of Ontario
303 East “B” Street
Ontario, CA 91764
ATTN: Records Management

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

3.7.4 Ownership of Materials and Confidentiality.

3.7.4.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of City, and shall not be used in whole or in substantial part by Consultant on other projects without the City’s express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to City reproducible copies of all Documents & Data, in a form and amount required by City. City reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by City at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to City upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to City any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.7.4.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the City.

3.7.4.3 Right to Use. City shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at City’s sole risk. If City uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant’s seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents

and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the City upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

3.7.4.4 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.7.4.5 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.7.4.6 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the release notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

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

3.7.6 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.7.7 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys'

fees and all costs of such action.

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

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

3.7.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

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

3.7.12 Assignment or Transfer. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Consultant shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

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

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

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

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

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

3.7.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

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

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

3.7.21 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

3.8 Federal Provisions. When funding for the services is provided, in whole or in part, by an agency of the federal government, Consultant shall also fully and adequately comply with the provisions included in Exhibit "A-1" (Federal Requirements) attached hereto and incorporated herein by reference ("Federal Requirements"). With respect to any conflict between such Federal Requirements and the terms of this Agreement and/or the provisions of state law, the more stringent requirement shall control.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT

BETWEEN THE CITY OF ONTARIO AND

NORTHPOINT CONSULTING GROUP, INC.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP

City Attorney

Attested By:

_____
City Clerk

NORTHPOINT CONSULTING GROUP, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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

EXHIBIT "A"
SCOPE OF SERVICES

SCOPE OF SERVICES AND FEE PROPOSAL
EVALUATION OF WASTEWATER TREATMENT FACILITIES PROFESSIONAL SERVICES

BACKGROUND SUMMARY

The City of Ontario (City) is seeking feasibility of a new treatment system to support approximately 4,000 acres in the western portion of Ontario Ranch. Build out of Ontario Ranch is a major component of the Ontario 2050 General Plan. Currently, the City's sewer water is treated at Regional Water Recycling Plant #1 (RP-1) and Regional Water Recycling Plant #5 (RP-5), both operated by the Inland Empire Utilities Agency (IEUA). In addition, Ontario purchases recycled water back from the IEUA, the amount is limited by how much sewage the city generates, and the city is expecting a 30% increase in recycled water demand at buildout.

The City of Ontario owns and operates the Ontario Municipal Utilities Company (OMUC). OMUC, among other things, is responsible for wastewater sewer collection and management as well as recycled water distribution.

SCOPE OF WORK

The following Scope of Work (SOW) was developed based on the tasks and deliverables outlined in the Scope of Service requested by the city, a review of readily available background information regarding the City's Sewer System and Recycled Water System, and the proposed draft outline for the final Feasibility Study report (Appendix C). A fixed-fee estimate and bi-weekly project schedule are provided in Appendices A and B.

The tasks presented below were developed based on an anticipated outline of the final Feasibility Study report where each task number represents a section of the report. The deliverable for each task is a draft Technical Memorandum (TM) to be submitted and/or presented to City staff for review and comment. City comments will be incorporated into a final TM. Each final TM will be incorporated into a complete Feasibility Study report to be delivered to the city in draft and final forms at the end of the project timeline. The purpose is to provide ease of review and communication with City staff and to allow for a clear project timeline and schedule.

We have prepared a detailed SOW outlining the tasks we feel are necessary to prepare a Feasibility Study that will meet the City's needs. NorthPoint Consulting Group, Inc. (NorthPoint) is willing to work with the city to adjust the SOW, schedule, and cost estimate if necessary. When working with the city, we consider our staff as an extension of City staff, and we will work closely and collaboratively with City staff.

Update: In addition, we have incorporated critical decision points within each Task to provide the City with the ability to determine, based on the information provided to date, whether to continue with this project or terminate the project because it has been determined that pursuing independent wastewater treatment is not feasible or in the best interest of the City. The critical decision points occur during the pre-feasibility assessment subtasks.

COST ESTIMATE

NorthPoint prepared a cost estimate (Appendix A) based on the SOW and assumptions provided below. The estimate of **$419,680** is NorthPoint's anticipated time-and-materials, not-to-exceed fee derived for fixed-fee purposes for pre-feasibility and full feasibility. However, if the City decides to terminate this project as discussed above, NorthPoint will only bill for services that have been completed up to the project termination date. The time-and-materials fee range is expected to be between **$120,000 (pre-feasibility) and $419,680 (full feasibility)**.

Reimbursable costs are included in the estimate, but will be charged as incurred. Reimbursable costs would mainly be associated with printing of materials requested by the city and travel to attend the planned, in-person workshops (Task 0.1.3).

NorthPoint's 2026 Rate Schedule is included in Appendix A.

NOTES REGARDING DELIVERABLES

All deliverables will be provided in electronic format as required by the city and as follows:

- Draft versions will be provided in Microsoft format (e.g., MS Word, MS Excel, etc.) and PDF format as appropriate.
- Final versions will be provided in PDF format with bookmarked sections, tables, figures, exhibits, etc.
- The final Feasibility Study report will incorporate the full evaluation undertaken as discussed in each Task below.

- Hard copies of deliverables will be provided to the city as requested following the rate schedule in Appendix A.

0. TASK 0 – MEETINGS, QA/QC, AND PROJECT MANAGEMENT

0.1. MEETINGS

0.1.1. PROJECT KICKOFF

Upon notice-to-proceed (NTP), NorthPoint will schedule and lead a virtual project kickoff meeting with City staff to go over project goals, objectives, deliverables, the project schedule, and the draft report outline (Appendix C). During the kickoff meeting, project communication and reporting protocols will be discussed. A general monthly schedule has been provided with this SOW (Appendix B). Prior to the kickoff meeting, along with a meeting agenda, a draft-detailed schedule, with tentative dates for meetings and workshops, will be provided to City staff and discussed during the kickoff meeting.

Deliverables: Meeting agenda and draft-detailed scheduled (provided at least 2-days prior to meeting), meeting minutes and next steps (provided no later than 5-days after the meeting), attendance log, and final detailed schedule.

Assumptions: Meeting will be a virtual, approximately 1–2-hour meeting and will be scheduled within 1-week of NTP.

0.1.2. GENERAL PROJECT UPDATES/PROGRESS REPORTS/PROJECT-FOCUSED MEETINGS

NorthPoint will provide at a minimum, bi-weekly updates with appropriate City staff to discuss project progress, challenges, coordination efforts, action items, schedule, budget, and obtain relevant information. Regular coordination with City staff will ensure timely delivery of information, drafts, and final products. Updates will occur either by phone calls, scheduled virtual meetings, and/or emails, as deemed appropriate by NorthPoint and City staff.

NorthPoint anticipates up to seven project-focused, virtual meetings to be scheduled with City staff. The timing of these is illustrated on the schedule in Appendix B. The purpose of these meetings is to present intermediate findings to date and obtain input and direction from relevant City staff during critical project components.

Deliverables: Meeting agenda (provided at least 2 days prior to meeting), meeting minutes and next steps (provided no later than 5-days after the meeting), and attendance log. NorthPoint will distribute progress reports and maintain a decision/issues log to track ongoing issues and record all decisions made during workshops, project meetings, telephone conversations, and emails.

Assumptions: Meetings and updates will be conducted virtually, approximately every 2 weeks, for approximately 1 hour. NorthPoint staff will schedule the meetings and provide meeting materials. There will be six (7) project-focused meetings lasting 1- to 2 hours and each meeting will require presentation materials prepared by NorthPoint. Three scheduled meetings are anticipated during pre-feasibility.

0.1.3. WORKSHOPS

Update: Workshops were anticipated for full feasibility and are optional for pre-feasibility. Workshops will not be scheduled unless authorized by the City.

NorthPoint will schedule, lead, and attend two in person workshops. The workshops are planned as follows:

Workshop 1: The first workshop will be scheduled around week 27 and 28 (refer to proposed Project Schedule in Appendix B). The purpose of the meeting is to review work completed to date, review draft project infrastructure alternatives, discuss regulatory compliance and governance, discuss regulatory obstacles and challenges, and discuss criteria for evaluation of alternatives. In preparation of this meeting, City staff will have had the opportunity to review the following TMs:

- TM from Task 1 – Feasibility Study Introduction
- TM from Task 2 – Wastewater Characteristics and Facility Summary
- TM from Task 3 – Recycled Water Characteristics and Facility Summary
- TM from Task 4 – Status Quo Project and Wastewater Treatment Process Review and Selection

- TM from Task 6 – Regulatory Compliance Assessment
- TM from Task 7 – Governance Assessment

Workshop 2: The second workshop will be scheduled around weeks 47 and 48. The purpose of this workshop is to review and discuss the alternatives analysis, recommendations, funding sources, cost projections, and benefit cost analysis. In preparation of this meeting, City staff will have had the opportunity to review the following TMs in addition to those listed above:

- TM from Task 5 – Economic Analysis of Alternatives
- TM from Task 8 – Alternatives Analysis
- TM from Task 9 – Recommended Project Alternative
- TM from Task 10 – Funding Sources and Considerations

Deliverables: Workshop agenda (provided at least 4-days prior to workshop), workshop minutes and next steps (provided no later than 5-days after the workshop), and attendance log.

Assumptions: Workshops will be in-person and attended by up to three NorthPoint employees. NorthPoint will prepare all workshop materials, including presentation materials. The city will provide a venue for each workshop.

0.2. Quality Assurance/ Quality Control (QA/QC)

Quality Assurance and Quality Control (QA/QC) are essential to ensuring accuracy, consistency, and reliability for all project deliverables and are critical to project success. NorthPoint maintains a structured QA/QC program that combines professional judgment, technical expertise, and systematic review procedures at each stage of work. The assigned Task Manager will conduct the initial QA/QC review for all technical materials to verify completeness and adherence to project objectives. Following this, a final, independent QA/QC review of all deliverables will be conducted prior to submittal to City staff. Independent QA/QC review for document production is a vital quality control measure that ensures accuracy and protects against risk.

Each document will undergo a documented review process that includes internal QA/QC checklists and tracked-change drafts to confirm that technical accuracy, overall formatting, and grammar are consistent. These reviews are key to providing a high-quality document, as they allow the document to be reviewed by "fresh eyes." This structure ensures that all deliverables are technically sound, internally consistent, and clearly communicated to aid in the success of the project.

0.3. Project Management

As Principal-in-Charge (PIC), Dr. Annje Dodd will be in charge of managing the project timeline, schedule, budget, invoice review, and communication. Project updates will occur bi-weekly.

To manage project risk, the PIC will be in charge of managing the project timeline using NorthPoint's project management tools and will adhere to the project meeting schedule finalized during the kickoff meeting. Regular meetings/updates between NorthPoint and the City are critical for making timely decisions so that project deliverable timelines can be met.

Deliverables: Project updates (refer to Task 0.1.2), monthly invoicing, general project coordination not specific to a project task, as appropriate.

1. TASK 1 – BACKGROUND AND INTRODUCTION

NorthPoint will review and compile relevant background information and prepare a draft TM outlining the project background, scope and need, and description of study area. In addition to reviewing relevant background information, NorthPoint will prepare a list of questions and/or requested information for City staff. The purpose of this request is to compile information to assist with Task 2 and Task 3.

City staff will provide relevant background information, data, and studies for the study area to be reviewed/incorporated/compiled by NorthPoint.

Update: This task is required to understand the background and existing information related to the project.

Deliverables:

1.1a) Draft TM submitted to City staff for review and comment.

1.1b) Final TM submitted to City staff.

Assumptions: NorthPoint will address one set of comments from City Staff. This deliverable will be incorporated as Section 1 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

List of Documents/Information found to Date:

- 2012 City of Ontario Sewer Master Plan Update
- 2012 City of Ontario Recycled Water Master Plan
- 2021 City of Ontario Wastewater Story Maps
- 2025 City of Ontario Water, Recycled Water, Sewer, and Drainage Master Plan Updates IS/MND
  - 2025 City of Ontario Recycled Water Master Plan (referenced in IS/MND, need to request from City)
  - 2025 City of Onterio Sewer Master Plan (referenced in IS/MND, need to request from City)
- 2022 Supplemental EIR for the Ontario Plan 2050
- Final Land Use Plan for Study Area
- Ontario Municipal Utilities Company Webiste and Documents
  - 2025 Cost of Service
  - 2025 Sewer System Management Plan
  - Public Works Design Documents
- Inland Empire Utilities Agency Website and Documents
  - https://www.ieua.org/read-our-reports/
  - https://www.ieua.org/wastewater-treatment-process/
  - https://www.ieua.org/everything-water/recycled-water/

2. TASK 2 – WASTEWATER CHARACTERISTICS AND FACILITIES

Update: NorthPoint will conduct a preliminary assessment of the local Wastewater Entities and responsibilities, Wastewater Collection System Facilities, Wastewater Design Flow for the study area, and Wastewater Treatment Parameters and Considerations. The purpose is to compile sufficient information to estimate a project footprint and conceptual alternative for initial evaluation. NorthPoint will utilize existing wastewater demand estimates provided by the City and include discussion of biosolids handling and surface water discharge. Full feasibility (as discussed below) will not be conducted unless directed by the City.

Full Feasibility Tasks: Task 2 will include a discussion of the local Wastewater Entities and responsibilities, Wastewater Collection System Facilities, Wastewater Design Flow for the study area, and Wastewater Treatment Parameters and Considerations. This section will include an evaluation of proposed wastewater demands for the study area and estimation of the estimated peak daily design flow to guide sizing, capacity, and required footprint of the treatment system. The section will also include anticipated influent quality to be treated, based on the proposed land uses and pre-treatment requirements. Additional considerations include biosolids estimates and management and surface water discharge when treated effluent exceeds recycled water demand (or recycled water sold to IEUA). Currently, all biosolids management in the region are processed at the Inland Empire Regional Composting (IERC) Facility located in Rancho Cucamonga. The IERC Authority was created by a JPA between IEUA and the LA County Sanitation District. RP-1 and RP-5 discharge to Cucamonga Creek and Chino Creek, respectively.

The purpose of this Section is to develop the information required to facilitate wastewater and recycled water facility alternatives development in Task 4.

Deliverables:

2.1a) Preliminary assessment TM for pre-feasibility purposes.

2.1b) Draft TM submitted to City staff for review and comment.

2.1c) Final TM submitted to City staff.

Assumptions: Sewer flows in the project area have been estimated to be between 8 and 9.5 million gallons per day (mgd) and are discussed in the 2022 Supplemental EIR for the Ontario Plan. NorthPoint will obtain and

review and utilize existing demand estimates for the study area, no new calculations are required. NorthPoint will address one set of comments from City Staff. This deliverable will be incorporated as Section 2 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

3. TASK 3 – RECYCLED WATER CHARACTERISTICS AND FACILITIES

Update: NorthPoint will conduct a preliminary assessment of the local Recycled Water Entities, Recycled Water Distribution System Facilities, Regulatory and Treatment Requirements (Title 22 disinfected tertiary for non-potable reuse), and Recycled Water Demand for the study area. The purpose is to compile sufficient information to estimate a project footprint and conceptual alternative for initial evaluation. NorthPoint will utilize existing recycled water demand estimates provided by the City. Full feasibility (as discussed below) will not be conducted unless directed by the City.

Full Feasibility Tasks: Task 3 will include a discussion of the local Recycled Water Entities, Recycled Water Distribution System Facilities, Regulatory and Treatment Requirements (Title 22 disinfected tertiary for non-potable reuse), and Recycled Water Demand for the study area.

If the full feasibility study is to be completed, and it is determined necessary, NorthPoint will include an evaluation of proposed recycled water demands for the study area, a discussion of proposed uses (land use types, recharge, etc.), including an evaluation based on seasonality to compare treatment demand and recycled water demand throughout a typical year. Recycled water demand variability (low-demand periods, seasonal imbalance, contingencies) will be considered. This will allow for evaluation of when surface water discharge may be required. Other considerations may include groundwater recharge.

The purpose of this Section is to develop the information required to facilitate wastewater and recycled water facility alternatives development in Task 4.

Deliverables:

3.1a) Preliminary assessment TM for pre-feasibility purposes.

3.1b) Draft TM submitted to City staff for review and comment.

3.1c) Final TM submitted to City staff.

Assumptions: Recycled water flows in the project area have been estimated to be between 4 and 5 mgd and are discussed in the 2022 Supplemental EIR for the Ontario Plan. NorthPoint will obtain review and utilize existing demand estimates for the study area and update as needed and necessary. NorthPoint will initially utilize existing demand estimates. NorthPoint will address one set of comments from City Staff. This deliverable will be incorporated as Section 3 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

4. TASK 4 – PROJECT INFRASTRUCTURE ALTERNATIVES

Update: NorthPoint will conduct an initial, high-level summary for pre-feasibility purposes utilizing existing information and also based on similar wastewater treatment facilities. The pre-feasibility will include an assessment of the "No Project" alternative compared to one conceptual alternative based on similar facilities for cost comparisons. Full feasibility analysis will not be conducted unless directed by the City.

Full Feasibility Tasks: The purpose of Task 4 is to discuss potential treatment technologies that meet recycled water regulatory requirements (Title 22 disinfected tertiary for non-potable reuse) and treatment system elements (e.g., biosolids, emergency storage, surface water discharge, treated water back to IEUA, footprint, location, etc.) that will guide the development of alternatives for wastewater treatment as well as the sewer conveyance system and the recycled water distribution system. The conveyance and distribution systems have been considered by the city within the Ontario Plan and may also be discussed in the 2025 Sewer System and Recycled Water Master Plans. Proposed conveyance and distribution needs will be considered in conjunction with the most current infrastructure master plans. Items to consider include conveyance and distribution needs in conjunction with existing plans and incorporation of OMUC regulations, including sizing, storage, pumping criteria, etc. Project alternatives will include conceptual treatment process flow schematics, conceptual footprints, conceptual distribution and conveyance layouts, potential locations, etc. Considerations when developing alternatives include operability, reliability, and long-term staffing. Development of alternatives will include an operator's perspective.

The purpose of this Section is to develop the information required to facilitate cost estimation and alternatives analysis in Tasks 5 and 8.

Included in this Task will be a discussion of the "No Project" or "Status Quo" alternative, which would be connecting to the existing IEUA system. The purpose would be to use as a comparison against project alternatives and assist with the Program Assessment in Task 11.

Deliverables: Preliminary assessment and outline for pre-feasibility purposes. Two draft TMs submitted to City staff for review and comment and two final TMs submitted to City staff.

4.1a) Preliminary assessment TM for pre-feasibility purposes.

4.2a&b) Draft/Final Status Quo and Wastewater Treatment Process Review and Selection.

4.3a&b) Draft/Final Project Infrastructure Alternatives.

Assumptions: This deliverable will be incorporated as Section 4 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

5. TASK 5 – ECONOMIC ANALYSIS OF ALTERNATIVES

Update: NorthPoint will conduct a preliminary economic analysis based on the information provided in the preliminary assessments. The economic analysis will include a cost estimate of the conceptual alternative including operation and maintenance (O&M) costs. Annualized life cycle analysis will be developed based on the capital and O&M estimates (e.g., annualized cost per acre-foot of treatment for each alternative). To assess the status quo/no-project alternative, the cost of water per acre-foot will be estimated based on projected charges, rates, and Capital Improvement Program (CIP) costs by the IEUA and OMUC. The results will be used to evaluate a preliminary funding and revenue program assessment (Task 10). Full feasibility (as discussed below) will not be conducted unless directed by the City.

Full Feasibility Tasks: Planning level cost estimates will be developed for each alternative considered based on the Cost Estimate Classification System guidelines published by the Advancement of Cost Engineering International. The purpose is to develop estimates of probable costs for guidance in alternative evaluation and implementation. Since the purpose is for alternatives analysis and project screening at the feasibility level, it is assumed that Class 4 estimates will be developed and contingency percentages will be provided. Class 4 costs for feasibility use assume about 1-15% level of project definition with an accuracy range about plus 50% and minus 30% for this level of estimate. Costs will be developed based on previous project experience, current available information from trusted sources, project location, project-specific conditions, and current economic conditions.

Annual O&M costs will include power, chemical, labor, and maintenance costs estimated based on similar facilities and engineering judgment.

Economic analysis will include preliminary estimates for both capital costs and annual O&M costs. An annualized life cycle analysis will be developed based on the capital and O&M estimates, assuming at least a 30-year term and a fixed rate of interest so that costs may be compared between alternatives (e.g., annualized cost per acre-foot of treatment for each alternative).

To assess the status quo/no-project alternative, the cost of water per acre-foot will be estimated based on projected charges, rates, and Capital Improvement Program (CIP) costs by the IEUA and OMUC.

Deliverables:

5.1a) Preliminary assessment TM for pre-feasibility purposes.

5.1b) Draft TM submitted to City staff for review and comment.

5.1c) Final TM submitted to City staff.

Assumptions: This deliverable will be incorporated as Section 5 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

6. TASK 6 – REGULATORY COMPLIANCE ASSESSMENT

The purpose of Task 6 is to identify and provide an assessment of the studies and permits required for regulatory compliance and approvals from responsible state and local agencies along with operational requirements not discussed in previous Tasks. A list of requirements will be provided, along with an outline of necessary steps and potential challenges and recommendations.

Update: An preliminary assessment will be prepared to identify challenges or roadblocks that could hinder the City from developing a wastewater treatment facility.

The primary regulatory authorities for a new wastewater treatment plant in California are:

- Title 22 of the California Code of Regulations, which establishes the environmental health regulations for recycled water quality, uses, monitoring, reliability, and treatment requirements.
- The Porter-Cologne Water Quality Control Act, which is California's foundational water quality law, under which the State Water Resources Control Board (SWRCB) and Regional Water Quality Control Boards issue permits and enforce water quality standards.
- The California Environmental Quality Act (CEQA) which Requires environmental review (e.g., Initial Study / Environmental Impact Report) for discretionary actions by public agencies with potential significant environmental effects, including new treatment plants.

The National Environmental Policy Act (NEPA) requires environmental review when a project depends on a federal approval, permit, or funding source.

Key environmental requirements include an Engineering Report prepared by a licensed engineer demonstrating compliance with Title 22 criteria, CEQA compliance and environmental review, and permit application and issuance (Waste Discharge Requirements).

Deliverables:

6.1a) Preliminary assessment TM for pre-feasibility purposes.

6.1b) Draft TM submitted to City staff for review and comment.

6.1c) Final TM submitted to City staff.

Assumptions: This deliverable will be incorporated as Section 6 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

7. TASK 7 – GOVERNANCE ASSESSMENT

The purpose of Task 7 is to provide an assessment of the governance of a new wastewater treatment facility, conveyance, and delivery systems. NorthPoint will work with City staff to gain an understanding of the type of governance the city is considering. This section will include a discussion of existing governance by the OMUC and governance by a Joint Powers Authority (JPA) and San Bernardino County Local Agency Formation Commission (LAFCo) requirements.

LAFCo is typically involved for approvals before a city provides "new or extended services" outside its jurisdictional boundary by contract or agreement.

Update: An preliminary assessment will be prepared to identify challenges or roadblocks that could hinder the City from developing a wastewater treatment facility.

NorthPoint will provide a summary of the requirements, an outline of steps to be taken, and a discussion of challenges and recommendations.

Deliverables:

7.1a) Preliminary assessment TM for pre-feasibility purposes.

7.1b) Draft TM submitted to City staff for review and comment.

7.1c) Final TM submitted to City staff.

Assumptions: This deliverable will be incorporated as Section 7 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

8. TASK 8 – ALTERNATIVES ANLAYSIS

Update: This task will not be started until directed by the City to proceed.

Work with City staff to establish selection criteria and weighting for each criterion. Criteria could include cost, operability, project implantation, City benefits, public benefits, funding opportunities, etc. It may be helpful to identify sub-criteria for evaluating. For example, a sub-criterion of City benefit could be independence or resilience. An operational sub-criteria could be staffing, ease of operation, required certifications. Cost could be capital, O&M, and life cycle. Considerations when evaluating alternatives include operability, reliability, and long-term staffing implications to avoid proposing a project that could create long-term operational and staffing challenges. Evaluation of alternatives will include an operator's perspective, so that alternatives are evaluated not solely on buildability, but on operability and sustainability for the City over the long term.

For example, recycled water demand variability and biosolids handling may be important criteria when evaluating alternatives, especially from an operations standpoint. From an operational standpoint, it may be helpful to address how alternatives perform early in the development (i.e., during lower-flow phases) since that may be where operational challenges can occur, before full build-out conditions are reached.

It is anticipated that up to four iterations with City staff will be coordinated as part of the alternatives selection process, determination of selection criteria, assignment of weightings of criteria, scoring methodologies, and review of costs and decision matrix results.

Using the selection criteria and sub-criteria, a benefit score will be generated for each alternative. Alternative scores will be compiled into a final scale (e.g., 1 to 5 or 1 to 10) with the lowest score being the worst and the highest score being the best or more favorable. A table/matrix will be created that summarizes the scoring results, along with a conclusion and summary of the results.

Deliverables: Draft TM submitted to City staff for review and comment. Final TM submitted to City staff.

Assumptions: This deliverable will be incorporated as Section 8 of the Feasibility Study report (Appendix C).

9. TASK 9 – RECOMMENDED PROJECT ALTERNATIVE

Update: This task will not be started until directed by the City to proceed.

The purpose of Task 9 is to provide a summary of the recommended alternative and provide additional details regarding the preliminary design, planning assumptions, cost estimation, conveyance and delivery systems, and implementation plan and schedule. Items to be considered as part of implementation include governance, design, permitting, CEQA process, land acquisition, Proposition 218 process, agency resolutions, rate study, etc.

Deliverables: Draft TM submitted to City staff for review and comment. Final TM submitted to City staff.

Assumptions: This deliverable will be incorporated as Section 9 of the Feasibility Study report (Appendix C).

10. TASK 10 – FUNDING AND REVENUE PROGRAM ASSESSMENT

Update: A preliminary funding and revenue program assessment will be conducted using information provided in the preliminary assessments conducted in the prior tasks. The purpose is to provide the City with sufficient information to make a determination regarding the viability of developing a wastewater treatment facility. This will include a cost recovery analysis and potential service rate comparison to the status quo/no-project alternative and funding options to build the facility while Ontario Ranch is being built out. Funding options will include consideration of picking up existing flows within the City or adjacent to the City already being treated by IEUA. Full feasibility (as discussed below) will not be conducted unless directed by the City.

Full Feasibility Tasks: The purpose of Task 10 is to provide a summary of potential funding sources and considerations for construction of the preferred alternative. Wastewater treatment projects have potential sources of funding through state and federal grants and loans. Funding source identification that could be considered include pay-as-you go, debt financing, grants, low interest loans, bonds, and market-based programs. A state and federal funding source timing summary will also be prepared.

A cost recovery analysis will be prepared to estimate the cost recovery for wastewater treatment, wastewater conveyance, recycled water distribution, and O&M costs for the recommended project. The cost per unit of treatment and conveyance or distribution will be provided (e.g., cost per acre-foot) and projected to a recovery cost and potential service rate and comparison to the no-project alternative analysis potential rates as a benefit-cost analysis (comparing the status-quo/no-project alternative with the recommended alternative and cost projections).

Deliverables:

10.1a) Preliminary assessment TM for pre-feasibility purposes.

10.2a&b) Draft TM submitted to City staff for review and comment.

10.3a&b)Final TM submitted to City staff.

Assumptions: This deliverable will be incorporated as Section 10 of the Feasibility Study report (Appendix C) when directed to proceed by the City.

11. TASK 11 – PROJECT DELIVERY METHOD ASSESSMENT

Update: This task will not be started until directed by the City to proceed.

Provide an assessment and evaluation of pros and cons for the following project delivery methods:

- Design-Bid-Build
- Design-Build
- Progressive Design-Build
- Construction Management at Risk (CMAR)
- Construction Management Multi-Prime (CMMP)
- Public-Private Partnerships (PPP or P3)
- Integrated Project Delivery (IPD)

Deliverables: Draft TM submitted to City staff for review and comment. Final TM submitted to City staff

Assumptions: This deliverable will be incorporated as Section 11 of the Feasibility Study report (Appendix C).

12. TASK 12 – FEASIBILITY STUDY REPORT

Update: A summary of the pre-feasibility assessment process and findings will be compiled into a report. The full feasibility study report will not be started until directed by the City to proceed.

The purpose of Task 12 is to compile the TM's prepared during Task 1 through Task 11 into a final Feasibility Study report following a finalized report outline developed in collaboration with City staff, an initial outline is provided as Appendix C. The final Feasibility Study report will also include an Executive Summary.

Deliverables:

12a) Pre-feasibility Assessment report.

12b) Draft Feasibility Study report.

12c) Final Feasibility Study report.

Assumptions: This deliverable will be compiled throughout the project as TM's are approved and finalized by City staff.

EXHIBIT "B"
SCHEDULE OF SERVICES

		Week																												
Task #	**Description**	2	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	40	42	44	46	48	50	52	54	56	58
Task 0	**Meetings, QA/QC, and Project Management**																													
Task 0	Pre-Feasibilty Assessment Period																													
Task 0.1.1	Kickoff Meeting																													
Task 0.1.2	General Updates/Progress Reports/Project-Focused Meetings			Mtg1		Mtg2			Mtg3			Mtg4						Mtg5			Mtg6						Mtg7			
Task 0.1.3	Workshops													Workshop1										Workshop2						
Task 0.2	Quality Assurance/Quality Control (QA/QC)																													
Task 0.3	Project Management																													
Task 1	**Feasibility Study Introduction**																													
Task 1.1a	Draft Introduction, Background, Scope, Need, Study Area																													
Task 1.1b	Final Introduction, Background, Scope, Need, Study Area																													
Task 2	**Wastewater Characteristics and Facility Summary**																													
Task 2.1a	Pre-Feasibility Assessment																													
Task 2.1b	Draft Summary of Entities, Collection System, Design Flow, Paramters, Considerations																													
Task 2.1c	Final Summary of Entities, Collection System, Design Flow, Paramters, Consideration																													
Task 3	**Recycled Water Characteristics and Facility Summary**																													
Task 3.1a	Pre-Feasibility Assessment																													
Task 3.1b	Draft Summary of Entities, Distribution System, Regulatory/Treatment, Demand Flows																													
Task 3.1c	Final Summary of Entities, Distribution System, Regulatory/Treatment, Demand Flows																													
Task 4	**Project Infrastructure Alternatives**																													
Task 4.1	Pre-Feasibility Assessment																													
Task 4.2a	Draft Status Quo and Wastewater Treatment Process Review and Selection																													
Task 4.2b	Final Status Quo and Wastewater Treatment Process Review and Selection																													
Task 4.3a	Draft Project Infrastructure Alternatives													Workshop1																
Task 4.3b	Final Project Infrastructure Alternatives																													
Task 5	**Economic Analysis of Alternatives**																													
Task 5.1a	Pre-Feasibility Assessment																													
Task 5.1b	Draft Opinion of Probable Costs (Capital, O&M, Life Cycle)																													
Task 5.1c	Final Opinion of Probable Costs (Capital, O&M, Life Cycle)																													
Task 6	**Regulatory Compliance Assessment**																													
Task 6.1a	Pre-Feasibility Assessment																													
Task 6.1b	Draft Environmental and Permitting Requirements																													
Task 6.1c	Final Environmental and Permitting Requirements																													
Task 7	**Governance Assessment**																													
Task 7.1a	Pre-Feasibility Assessment																													
Task 7.1b	Draft Governance Assessment																													
Task 7.1c	Final Governance Assessment																													
Task 8	**Alternatives Analysis**																													
Task 8.1a	Draft Alternatives Analysis																													
Task 8.1b	Final Alternatives Analysis																													
Task 9	**Recommended Project Alternative**																													
Task 9.1a	Draft Recommendation, Cost Estimate, Implementation Plan and Schedule																													
Task 9.1b	Final Recommendation, Cost Estimate, Implementation Plan and Schedule																													
Task 10	**Funding and Revenue Program Assessment**																													
Task 10.1	Pre-Feasibility Assessment																													
Task 10.2a	Draft Funding Sources and Considerations																													
Task 10.2b	Final Funding Sources and Considerations																													
Task 10.3a	Draft Cost Projections and Benefit Cost Analysis																							Workshop2						
Task 10.3b	Final Cost Projections and Benefit Cost Analysis																													
Task 11	**Project Delivery Method Assessment**																													
Task 11.1a	Draft Project Delivery Method Assessment																													
Task 11.1b	Final Project Delivery Method Assessment																													
Task 12	**Feasibility Study Final Report**																													
Task 11.1a	Pre-Feasibilty Summary of Findings																													
Task 11.1b	Draft Feasibility Study Final Report																													
Task 11.1c	Final Feasibility Study Final Report																													

EXHIBIT "C"
COMPENSATION

		Cost Estimate - City of Ontario Evaluation of Wastewater Treatment Facilities											
	Title	Principal Engineer	Engineer III	Senior Designer	Assistant Engineer II	Planner III	Planner II	GIS/CAD	Aquaveria	Rinehart	Admin	Total Hours	Total Fees (rounded to nearest $100)
	Hourly Rates	$240	$220	$165	$165	$150	$150	$150	$140	$270	$100		
Task #	Description												
Task 0	Meetings, QA/QC, and Project Management												
	Meetings												
Task 0.1.1	Kickoff Meeting	2	4		4	2						12	$2,300
Task 0.1.2	General Updates/Project-Focused Meetings	44	28		28	4		4				108	$22,500
Task 0.1.3	Workshops (includes time for travel and preparation)	44	48		66							158	$32,000
	QA/QC												
Task 0.2	Quality Assurance/Quality Control (QA/QC)	24	40									64	$14,600
	Project Management												
Task 0.3	Project Management	20	24								60	104	$16,100
	Subtotal	134	144	0	98	6	0	4	0	0	60	446	$87,500
Task 1	Feasibility Study Introduction												
Task 1.1a	Draft Introduction, Background, Scope, Need, Study Area	12	32		24			6				74	$14,800
Task 1.1b	Final Introduction, Background, Scope, Need, Study Area	2	4		4			2				12	$2,300
	Subtotal	14	36	0	28	0	0	8	0	0	0	86	$17,100
Task 2	Wastewater Characteristics and Facility Summary												
Task 2.1a	Pre-Feasibility Assessment	10	15	0	19	0	0	2	2	0	1	49	$9,500
Task 2.1b	Draft Summary of Entities, Collection System, Design Flow, Paramters, Considerations	13	21	0	26	0	0	1	3	0	1	65	$12,700
Task 2.1c	Final Summary of Entities, Collection System, Design Flow, Paramters, Considerations	4	6		8			2	2		1	23	$4,300
	Subtotal	27	42	0	53	0	0	5	7	0	3	137	$26,500
Task 3	Recycled Water Characteristics and Facility Summary												
Task 3.1a	Pre-Feasibility Assessment	10	14	0	19	0	0	2	2	0	1	48	$9,300
Task 3.1b	Draft Summary of Entities, Distribution System, Regulatory/Treatment, Demand Flows	13	22	0	26	0	0	1	3	0	1	66	$12,900
Task 3.1c	Final Summary of Entities, Distribution System, Regulatory/Treatment, Demand Flows	4	4		8			2	2		1	21	$3,800
	Subtotal	27	40	0	53	0	0	5	7	0	3	135	$26,000
Task 4	Project Infrastructure Alternatives												
Task 4.1	Pre-Feasibility Assessment	13	17	20	36	0	0	11	9	9		115	$21,400
Task 4.2a	Draft Status Quo and Wastewater Treatment Process Review and Selection	4	10		10			2	4	4		34	$6,800
Task 4.2b	Final Status Quo and Wastewater Treatment Process Review and Selection	2	4		4			2	2	2		16	$3,100
Task 4.3a	Draft Project Infrastructure Alternatives	24	32	60	100			32	16	16	8	288	$51,400
Task 4.3b	Final Project Infrastructure Alternatives	16	16	20	24			4	2	2	4	88	$16,400
	Subtotal	59	79	100	174	0	0	51	33	33	12	541	$99,100
Task 5	Economic Analysis of Alternatives												
Task 5.1a	Pre-Feasibility Assessment	5	14	14	16	0	0	0	8	8	1	66	$12,600
Task 5.1b	Draft Opinion of Probable Costs (Capital, O&M, Life Cycle)	4	14	14	12	0	0	0	6	6	1	57	$10,900
Task 5.1c	Final Opinion of Probable Costs (Capital, O&M, Life Cycle)	2	4	4	8				4	4	1	27	$5,100
	Subtotal	11	32	32	36	0	0	0	18	18	3	150	$28,600
Task 6	Regulatory Compliance Assessment												
Task 6.1a	Pre-Feasibility Assessment	5	0	0	0	9	9	0	0	0	1	24	$4,000
Task 6.1b	Draft Environmental and Permitting Requirements	4	0	0	0	9	9	0	0	0	1	23	$3,800
Task 6.1c	Final Environmental and Permitting Requirements	2				2	2				1	7	$1,200
	Subtotal	11	0	0	0	20	20	0	0	0	3	54	$9,000
Task 7	Governance Assessment												
Task 7.1a	Pre-Feasibility Assessment	20	0	0	0	5	5	0	0	0	1	31	$6,400
Task 7.1b	Draft Governance Assessment	17	0	0	0	4	4	0	0	0	1	26	$5,400
Task 7.1c	Final Governance Assessment	8				2	2				1	13	$2,600
	Subtotal	45	0	0	0	11	11	0	0	0	3	70	$14,400
Task 8	Alternatives Analysis												
Task 8.1a	Draft Alternatives Analysis	8	16	24	24				6	4	1	83	$15,400
Task 8.1b	Final Alternatives Analysis	4	4	6	6				2	1	1	24	$4,500
	Subtotal	12	20	30	30	0	0	0	8	5	2	107	$19,900
Task 9	Recommended Project Alternative												
Task 9.1a	Draft Recommendation, Cost Estimate, Implementation Plan and Schedule	8	8	8	24			2	4	4		58	$10,900
Task 9.1b	Final Recommendation, Cost Estimate, Implementation Plan and Schedule	2	2	2	2			2	1	1		12	$2,300
	Subtotal	10	10	10	26	0	0	4	5	5	0	70	$13,200
Task 10	Funding and Revenue Program Assessment												
Task 10.1	Pre-Feasibility Assessment	7	11	0	24	0	0	0	0	0	2	44	$8,300
Task 10.2a	Draft Funding Sources and Considerations	4	4		24							32	$5,800
Task 10.2b	Final Funding Sources and Considerations	1	1		4							6	$1,100
Task 10.3a	Draft Cost Projections and Benefit Cost Analysis	20	32		60						4	116	$22,100
Task 10.3b	Final Cost Projections and Benefit Cost Analysis	4	6		8						4	22	$4,000
	Subtotal	36	54	0	120	0	0	0	0	0	10	220	$41,300
Task 11	Project Delivery Method Assessment												
Task 11.1a	Draft Project Delivery Method Assessment	8	24		4					4		40	$8,900
Task 11.1b	Final Project Delivery Method Assessment	2	4		2					1		9	$2,000
	Subtotal	10	28	0	6	0	0	0	0	5	0	49	$10,900
Task 12	Feasibility Study Final Report												
Task 11.1a	Pre-Feasibility Summary of Findings	2	3	4	8			2	2	2	8	31	$5,000
Task 11.1b	Draft Feasibility Study Final Report	4	6	8	16			2	2	2	8	48	$8,200
Task 11.1c	Final Feasibility Study Final Report	2	2	2	4			2			8	20	$3,000
	Subtotal	8	11	14	28	0	0	6	4	4	24	99	$16,200
	Reimbursable Expenses												
	Reimbursables												$10,000
	Total	404	496	186	652	37	31	83	82	70	123	2164	$419,700

NorthPoint Consulting Group, Inc.– 2026 Rate Schedule

Reimbursable Expenses Schedule

Reimbursable Expenses are subject to review and adjustment annually. Rates and charges for Reimbursable Expenses as of the date of this Agreement are:

Mileage (auto)	$.725 cents per mile (updated when feds update)
Air Transportation	at cost
Meals and Lodging	at cost
Reimbursable Charges*	Cost plus 10% surcharge

*Reimbursable charges include but are not limited to: outside printing services, any permitting agency fees paid on the clients behalf, outside laboratory testing, and subconsultant fees not explicitly included in the project scope, etc.

Standard Hourly Rates Schedule

Hourly Rates are subject to review and adjustment annually or, depending on market conditions, at Consultants' discretion. Rates for services performed as of the date of this Agreement are:

Billing Class	Rate*
Principal Engineer	$230.00 - $290.00
Project Engineer III	$195.00 - $230.00
Project Engineer II	$160.00 - $195.00
Project Engineer I	$100.00 - $160.00
Assistant Engineer II	$135.00 - $180.00
Assistant Engineer I	$100.00 - $130.00
Senior Designer	$135.00 - $180.00
Designer II	$95.00 - $135.00
Designer I	$75.00 - $95.00
Senior Planner	$200.00 - $250.00
Planner III	$180.00 - $200.00
Planner II	$130.00 - $180.00
Planner I	$90.00 - $130.00
Senior Scientist	$160.00 - $200.00
Scientist II	$120.00 - $160.00
Scientist I	$90.00 - $120.00
Office Manager	$75.00 - $100.00
Administrative	$60.00 - $90.00
Intern	$60.00 - $80.00

*All time is billed in 15-minute increments. Telephone calls, emails and office visits shall be billed by NorthPoint Consulting Group, Inc. at a minimum of 15 minutes (0.25 of an hour) at the rates listed in the table. Any telephone calls, email responses or office visits exceeding 15 minutes shall be billed for actual time incurred.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Courtney Jones Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Courtney Jones, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 24

SUBJECT: PROFESSIONAL SERVICES AGREEMENT WITH NOSSAMAN LLP FOR LEGAL AND TECHNICAL SERVICES PERTAINING TO WATER AND WASTEWATER MATTERS

RECOMMENDATION: That the City Council approve and authorize the City Manager, or designee, to execute a two-year Professional Services Agreement with Nossaman LLP of Los Angeles, California, for legal and technical services relating to sewer disposal, water supply, and water rights for a not-to-exceed contract amount of $3,700,000 for Fiscal Years 2026-27 and 2027-28 and a term from July 1, 2026 thru June 30, 2028.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: Services under this agreement will be provided as needed with expenditures limited to City Council approved budget appropriations each year in the Water and Sewer Operating Funds. If approved, appropriations will be included in future Annual Budgets to City Council for approval as needed. Any increases to the billing rates during future amendments to the agreement will be negotiated at the City's Discretion. There is no impact to the General Fund.

BACKGROUND & ANALYSIS: The City has historically used Nossaman LLP for legal and technical representation regarding sewer disposal, water supply, and water rights matters. Nossaman's involvement will be critical for the continuation of several multi-year efforts and emerging regional topics anticipated over the next few years. The agreement will ensure the continuity of legal services central to preserving and managing Ontario's utility resources and services to its community as these multi-year efforts are concluded.

The City is undertaking multi-year efforts to achieve several goals, including ensuring the protection of our local water supply, mitigating impacts on consumer costs, and maintaining recycled water

rights through collaboration with the Inland Empire Utilities Agency (IEUA) and the Chino Basin Watermaster (Watermaster).

The agreement's primary efforts include the Meter Equivalent Unit (MEU) charge, regional sewage contract, and regional projects. The proposed action on these efforts is consistent with the City Council's direction to the City Manager to engage in settlement discussions and pursue legal actions if necessary and as appropriate.

NOSSAMAN LLP

ATTORNEYS AT LAW

777 South Figueroa Street
34th Floor
Los Angeles, CA 90017
T 213.612.7800
F 213.612.7801

Frederic A. Fudacz
D 213.612.7823
ffudacz@nossaman.com

Refer To File # 280856-0002

April 2, 2026

Mr. Scott Burton
Utilities General Manager
City of Ontario
1425 South Bon View Avenue
Ontario, California 91761

Re: **Engagement Agreement for Legal Services as Special Counsel for Water and Wastewater Issues – Fiscal Years 2026/2027 through 2027/2028**

Dear Scott:

We are very pleased to have the opportunity to continue to provide legal services to the City of Ontario ("City" or "Client") pursuant to this Amended Engagement Agreement ("Agreement") covering the period fiscal years 2026/2027 through 2027/2028. (The terms "you" and "yours" as used in this letter shall refer to the City, and the terms "we", "us" and "ours" shall refer to Nossaman LLP ("Nossaman" or the "Firm")). We expect that these services will be provided principally by attorneys resident in our Los Angeles Office, although we may call upon attorneys in our other offices to provide advice or assistance on your matter if appropriate. This letter will serve to record our Agreement of the terms and conditions of our representation.

1. You have asked us and we agree to represent the City with respect to matters related to the City's water rights, water supply, water rates, water quality, and wastewater issues (the "Services").

2. On matters covered by this Agreement, we agree to provide such legal Services as we determine are reasonably required to represent you, to take reasonable steps to keep you informed of facts and developments concerning the subject matter of this engagement as they come to our attention, and to respond to your reasonable inquiries. You agree to cooperate with us, to keep us informed of developments, to abide by this Agreement and to pay our statements for the Services in a timely manner.

3. We shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California, and consistent with all applicable laws. We represent that we, our employees, consultants and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement.

4. Our fees for services provided to you pursuant to this Agreement will be calculated and billed based upon hourly rates established for each attorney, paralegal and clerk rendering services on your matters. However, unless expressly agreed in writing in advance by the City, the cost to the City for the Services for the period beginning July 1, 2026 through and including June 30, 2028 shall not exceed $3,700,000 ("Services Cost"). Our statements for the Services will provide you with a description of such Services performed, the date they were performed, the time devoted to your matters and the specific hourly rate of the attorney, paralegal or clerk that performed the Services on your behalf.

5. The hourly rates of individuals who are currently expected to perform the Services with respect to your matters are set forth on Attachment "A" hereto and will generally be recorded and billed one-tenth hour increments. If other personnel are asked to perform the Services, you will be informed of their billing rates on the first statement following their initial service. We expect that the attorneys listed on Attachment "A" will render the bulk of the Services. From time to time, our rate structure in general, or the rates of particular attorneys, paralegals or clerks, may be increased. If so, you will be advised of the new rates. The new rates shall apply to all work performed after you have been advised of the new rates.

6. Our hourly rates apply to all time spent on your behalf, including but not limited to court appearances; motion practice; preparing, analyzing, reviewing and revising correspondence and documents; factual and legal research; consultation and advice; conducting negotiations; engaging in depositions and other discovery; conferences; preparing for and conducting trials and appeals; out of town travel; conferring with other attorneys in our firm, or with witnesses or attorneys also involved in the matter; and such other services of a professional nature as this engagement may require.

7. We will ordinarily incur various costs and expenses or will provide certain in-house services while performing legal Services. You agree to pay for these items in addition to our fees for legal Services. The costs and expenses and in-house services may include, but will not necessarily be limited to, filing fees fixed by law or assessed by courts or other agencies; court reporters' fees; witness fees; experts' fees; consultants' fees; process server fees; investigation expenses; out of town travel expenses; long

distance telephone charges; messenger and private courier delivery charges; photocopying and other reproduction services; computerized research charges; and similar items.

In-house services such as duplicating and fax expenses will be charged in accordance with our general Firm policies which are designed to reimburse us for our cost of providing those services. Currently, our firm charges $1.00 for outgoing faxes and $0.10 cents per page for copying. External costs and expenses are charged at our cost, including computerized research and electronic evidence data processing. Where the Firm maintains a fixed subscription contract with a vendor for computerized research, you will be charged for the actual cost incurred by the Firm during the given month which often results in substantial discounts of the vendor's regular rates. We will not charge you for word processing, overtime expenses associated with administrative or secretarial personnel, telephone calls within the United States and similar items unless these items are unusually large in amount and we obtain your agreement in advance. We will not add a "handling" charge for costs and expenses incurred on your behalf.

8. We are normally not required to advance payment for any external expenses. Instead, clients agree to pay such charges directly to the vendors, in a timely manner, upon our submission of their invoices to them. We may, from time to time, but are not required to, pay minor expenses of outside vendors as a convenience to you and will then include them within our statements for Services. In addition, if you do not make timely payment to vendors, we reserve the right to pay those vendors on your behalf and include such charges in our statements and require reimbursement from you. It is important that vendors be promptly reimbursed so that we can retain good professional relationships with those vendors.

9. Our files for work prepared pursuant to this Agreement are your property. We will release our files for work performed pursuant to this Agreement to you or to anyone else you designate upon your written request delivered to the attorney in charge of this matter. However, you agree that we may, in our sole discretion, copy all or any portion of the file and charge the copying costs to you, and that we may have a reasonable period of time before releasing the documents to you or anyone else you designate in order to copy all or any portion of the files you have directed us to surrender. We will, from time to time, send portions of your files that are not currently needed to an off-site storage facility. The cost of this facility will be our sole expense. However, we are not the guarantor of the security of any off-site storage facility. Accordingly, you agree that the Firm will not be responsible for any damages which may occur as a result of the loss of any of your files which we store at an off-site storage facility. You also agree that we may, after the passage of two years without our having performed any work for you pursuant to this engagement for Services, destroy your files unless you provide us with written instruction to forward the files to you or to another person you designate.

10. You agree to keep us informed of any change in your address or telephone numbers or electronic mail address so that we may effectively communicate with you. We will also advise you promptly of any change in the Firm's business address, electronic mail address or telephone or facsimile numbers. You agree that we may communicate with you via electronic mail even though it may not be completely secure.

11. Please be advised that we have adopted a privacy policy in compliance with the requirements of the Gramm-Leach-Bliley Act, a copy of which is attached to this letter. If you have any questions concerning our Privacy Policy, please contact us.

12. To aid in your matters, it may become necessary to hire experts, consultants or investigators. Such persons will be employed by us on your behalf, not by you, so as to protect any privileged work; but we will not hire such persons unless you approve and also agree to pay their fees and charges. The responsibility to pay for their services is solely yours.

13. We will send you periodic statements for fees and costs incurred. Each statement will be payable upon presentation. If any statement or any portion thereof is not paid within 90 days, then the unpaid amount of such statement will bear interest at the maximum legal rate allowed by law, but not in excess of twelve percent (12%) interest per annum compounded monthly, and we will also have the right to withdraw as your attorneys.

14. You may discharge us as your attorneys at any time. We may withdraw as your attorneys with your consent, or for good cause. Good cause includes but is not limited to the following: your breach of this Agreement; your failure to pay our bills on time; your refusal to cooperate with us; your refusal to follow our advice on a material matter; the development of irreconcilable disagreement between you and us as to the conduct of the engagement; or any other fact or circumstance that would render our continuing representation contrary to your interests, or to law, or to the rules of professional conduct. Failure to withdraw as your attorneys on any one occasion shall not be a waiver of our right to do so if such other occasions arise.

If you discharge us, or if we elect to withdraw, you agree to secure forthwith other counsel of your own selection to represent you and, if we are your attorneys of record in any litigation, to cooperate fully in substituting such new counsel as your attorneys of record in the litigation.

15. Nothing in this Agreement and nothing in our statements to you should be construed as a guarantee or promise about the outcome of the City's matters or any phase thereof. We make no such guarantees or promises. Comments about the course or outcome of your matters or any phase thereof which we may make from time to time are expressions of opinion only. You acknowledge that the amount of legal fees and costs which may be incurred on your behalf pursuant to this Agreement is not capable of

precise prediction; and you acknowledge that we have made no guarantees or promises and that you have set no limits with regard to the cost of Services we provide you. We both acknowledge that this Agreement constitutes the entire understanding and agreement regarding our engagement to provide you with legal Services, and is intended to supersede and replace in their entirety any previously executed engagement agreements or amendments thereto.

16. If an action or proceeding is commenced to enforce this Agreement or any provision hereof, the prevailing party in such an action or proceeding shall be entitled to recover the reasonable amount of his, her or its fees and costs thereof, in addition to compensatory damages. For the purposes of enforcing this Agreement only, and as otherwise required by law, you agree that this Agreement may be disclosed to a court or arbitrator.

17. This Agreement is made under and shall be construed in accordance with the substantive laws of the State of California without reference to its choice of law rules

18. We carry professional liability insurance which would cover the Services we will be providing to you under the terms of this Agreement. That insurance is subject to a significant self-insured retention. We also carry general liability and worker's compensation and employees liability insurance in which the City is named as an additional insured and for which a waiver of subrogation in favor of the City applies. Our coverage satisfies the limits specified by the City as follows:

- $1 Million in general liability with $2 Million aggregate;
- $1 Million in automobile liability;
- $1 Million in workers' compensation liability;
- $1 Million in professional liability; and
- $1 Million cyber liability

19. The City hereby designates **Scott Burton, Utilities General Manager** ("City's Representative"), or his designee, to act as its representative for the performance of this Agreement. To the extent that City's Representative elects to appoint or designate a designee to act on his behalf for purposes of this Agreement, then City's Representative shall notify us in writing. City's Representative and his designee made known to us shall have the power to act on behalf of the City for all purposes under this Agreement. We shall not accept direction or orders from any person other than the City's Representative or his designee made known to us.

20. In the event the City Representative determines that additional Services (or work similar thereto) are required to complete the Services and the cost thereof exceeds the Services Cost, City Representative shall have the authority to use any contingency amount authorized by the City Council, to pay for such additional Services or work.

21. The term of this Agreement shall be from July 1, 2026 through and including June 30, 2028.

We are very proud of our client relationships, and occasionally identify clients to others who ask about our client base, or in institutional materials. Unless you object in writing, we assume that you agree that we may state that we represent you in such matters as we deem appropriate, although of course we would not publish or disseminate any confidential information pursuant to the privacy policy attached hereto.

If these terms are acceptable to you, please sign in the space provided below and return this Agreement to us in the envelope enclosed for your convenience.

We appreciate your confidence in our firm and look forward to working with you.

Very truly yours,



Frederic A. Fudacz
Nossaman LLP

FAF:mbw

Enclosures

cc: Courtney Jones, P.E.
Chad Nishida, P.E.

ACCEPTANCE

I have read and understand the forgoing terms and agree to them as of the date that Nossaman LLP first provided services to the City of Ontario.

Dated: _____ CITY OF ONTARIO

By: _____

Printed Name: _____

Title: _____

ATTACHMENT "A" TO AGREEMENT - 4/2/26

Billing Rates, charged in one-tenth increments:

TIMEKEEPER	Hourly Rate
Attorneys	
Partners:	
Frederic A. Fudacz	$640.00
Kyle Hamilton	$640.00
David C. Lee	$640.00
David J. Miller	$615.00
Gina R. Nicholls	$615.00
Ilse C. Scott	$640.00
Alexander Westerfield	$640.00
Robert D. Thornton	$640.00
Alexander Westerfield	$640.00
Associates:	
Raven McGuane	$377.00
Paul J. Sevigny	$377.00
Alex Van Roekel	$377.00
Paralegals/Clerks:	
	$285.00

FAF_____ _____
Nossaman Partner Client Initials

PRIVACY POLICY OF NOSSAMAN LLP

Lawyers, as providers of certain personal services, are now required by the Gramm-Leach-Bliley Act to inform their clients of their policies regarding privacy of client information. Our law firm understands your concerns as a client for privacy and the need to ensure the privacy of all your information. Your privacy is important to us and maintaining your trust and confidence is a high priority. Lawyers have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by such Act. Therefore, we have always protected your right to privacy. The purpose of this notice is to explain, as now required by law, our Privacy Policy with regard to personal information about you that we obtain and how we keep that information secure.

NONPUBLIC PERSONAL INFORMATION WE COLLECT

We collect nonpublic personal information about you that is provided to us by you or obtained by us with your authorization or consent, or otherwise furnished to us in the performance of our engagement, as through discovery in litigation.

WE DO NOT DISCLOSE ANY PERSONAL INFORMATION ABOUT OUR CLIENTS OR FORMER CLIENTS TO ANYONE, EXCEPT AS PERMITTED OR REQUIRED BY LAW AND ANY APPLICABLE STATE ETHICS RULES.

We do not disclose any nonpublic personal information about current or former clients obtained in the course of representation of those clients, except as expressly or impliedly authorized by those clients to enable us to effectuate the purpose of our representation or as required or permitted by law or applicable provisions of codes of professional responsibility or ethical rules governing our conduct as lawyers. In that regard, California law generally provides that lawyers are absolutely required not to reveal confidential information about clients, except as authorized by the client or as compelled by law.

CONFIDENTIALITY AND SECURITY

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and to comply with professional guidelines or requirements of law. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Dennis Mejia Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Courtney Jones, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 25

SUBJECT: **A DESIGN SERVICES AGREEMENT WITH PACIFIC ADVANCED CIVIL ENGINEERING, INC., FOR THE FEASIBILITY STUDY AND PRELIMINARY DESIGN REPORT OF THE JOHN GALVIN PARK WATER TREATMENT PLANT UPGRADES PROJECT**

RECOMMENDATION: That the City Council approve and authorize the City Manager, or designee, to execute a Design Services Agreement with Pacific Advanced Civil Engineering, Inc. (PACE) of Fountain Valley, California, to provide professional engineering design services for the John Galvin Park Water Treatment Plant Upgrades Project, Contract No. UT1089, for an amount of $186,565 plus a 10% contingency of $18,657 for a total not-to-exceed amount of $205,222, and a term from June 2, 2026 to December 31, 2029.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT:

Proposed Design Services Agreement to PACE is for professional engineering design services for the John Galvin Park Water Treatment Plant Upgrades Project, in the amount of $186,565 plus a 10% contingency of $18,657 for a total not-to-exceed amount of $205,222. Expenditures will be based on PACE's proposal and negotiated rates.

The Fiscal Year 2025-26 Adopted Budget includes appropriations in the Water Capital Fund to provide professional engineering design services for the John Galvin Park Water Treatment Plant Upgrades Project. If approved, additional appropriations from the Water Capital Fund will be included in a future quarterly budget update to the City Council for approval. There is no impact to the General Fund.

BACKGROUND & ANALYSIS:

John Galvin Park, located at the southeast corner of 4th Street and Cucamonga Avenue, houses several water production facilities servicing the City of Ontario. This site includes two groundwater wells (Wells No. 44 and 52), two water storage reservoirs serving the 1074 Pressure Zone, a booster station supplying the 1212 and 1348 Pressure Zones, and an ion exchange (IX) treatment facility used to treat groundwater extracted from the wells. This site also includes a decommissioned water purification plant and a chlorination station that are currently not in use (see Exhibit A).

Groundwater produced from Wells No. 44 and 52 contains nitrate and perchlorate at concentrations that exceed drinking water standards and require treatment prior to distribution. The existing IX treatment facility is used to remove nitrate and perchlorate from the groundwater. Following treatment, the water is blended with a portion of raw groundwater, chlorinated, and stored in the 1074 reservoirs for distribution within the City's water system or boosted to higher pressure zones.

In addition to nitrate and perchlorate, the groundwater also contains dibromochloropropane (DBCP), per- and polyfluoroalkyl substances (PFAS), and total coliform bacteria (TCB), which are subject to current and emerging regulatory requirements. The existing IX treatment facility is nearing the end of its service life and utilizes treatment and control technologies that are becoming increasingly difficult to maintain due to limited availability of replacement components. In addition, the existing resin media has experienced expected deterioration and is anticipated to require replacement. Current groundwater quality conditions and treatment system constraints limit the ability for Wells No. 44 and 52 to operate simultaneously on a continuous basis, which can affect operational flexibility and overall system resiliency. Additional treatment processes may also be needed to support TCB compliance requirements.

To address these deficiencies and improve the long-term reliability of the City's water supply system, the City is initiating the John Galvin Park Water Treatment Plant Upgrades Project. The project will include preparation of a Feasibility Study (FS) and Preliminary Design Report (PDR) to evaluate and recommend improvements to the existing facilities. The FS will assess treatment alternatives for nitrate, perchlorate, and PFAS removal; evaluate IX and other applicable treatment technologies; analyze resin selection and lifecycle costs; and assess options for achieving required TCB removal. The FS will also evaluate site constraints, including limited footprint within the park, and assess the condition and capacity of the existing brine conveyance system and its impact on treatment alternatives.

Based on the recommended alternative from the FS, the PDR will further refine the selected approach and develop preliminary engineering concepts, including site layout, treatment process configuration, hydraulic considerations, and integration with existing facilities. The PDR will also include estimated construction cost, project schedule, and identification of permitting and regulatory requirements. The overall project objectives are to modernize treatment technologies, ensure compliance with current and emerging drinking water regulations, enable simultaneous and continuous operation of Wells No. 44 and 52, and provide sufficient treated water to reliably serve the City's 1074, 1212, and 1348 Pressure Zones.

On December 16, 2025, the City issued a Request for Proposals (RFP) through PlanetBids to solicit

qualified professional engineering consultants to provide feasibility study and preliminary design services for the John Galvin Park Water Treatment Plant Upgrades Project . The RFP was publicly advertised and made available to all qualified consultants through PlanetBids.

On January 30, 2026, the City received the following two proposals:

Bidder	Locations
Pacific Advanced Civil Engineering, Inc.	Fountain Valley, CA
N2W Engineering, Inc.	Irvine, CA

Staff has reviewed the proposals in accordance with the evaluation criteria identified in the RFP, including the firms' understanding of the project, technical approach, relevant experience with similar water treatment facilities, qualifications of the proposed project team, fee proposal, and references. After careful evaluation, PACE was determined to be the most qualified to provide the requested professional engineering design services and to offer the best overall value.

EXHIBIT A

Site Map



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
DESIGN SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into as of _____, by and between the City of Ontario, a municipal corporation organized and operating under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City"), and **Pacific Advanced Civil Engineering, Inc.**, a **California Corporation,** with its principal place of business at **17520 Newhope Street, Suite 120, Fountain Valley, CA 92708** (hereinafter referred to as "Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 City. City is a municipal corporation organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Consultant**.** Consultant desires to perform and assume responsibility for the provision of certain professional **engineering** design services required by the City on the terms and conditions set forth in this Agreement. Consultant warrants that it is fully licensed, qualified, and willing to perform the services required by this Agreement; provided, however, that if Consultant is a corporation or other organization, the Project Consultant designated pursuant to Section 3.2, and not the Consultant itself, shall be fully licensed to practice as an **engineer** in the State of California.

2.3 Project**.** City desires to engage Consultant to render such services for the **John Galvin Park Water Treatment Plant Upgrades Project (OMUC Contract No. UT1089)** ("Project") as set forth in this Agreement.

3. TERMS

3.1 Employment of Consultant.

3.1.1 Scope of Services. Consultant promises and agrees to furnish to City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully

and adequately supply the professional **engineering** and related services necessary for the full and adequate completion of the Project consistent with the provisions of this Agreement (hereinafter referred to as "Services"). The Services are more particularly described throughout this Agreement, including Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, any exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. All Services performed by Consultant shall be subject to the sole and discretionary approval of the City, which approval shall not be unreasonably withheld.

3.1.2 Term. The term of this Agreement shall be from **June 2, 2026** to **December 31, 2029**, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Project Consultant; Key Personnel.

3.2.1 **Engineer of Record**. Consultant shall name a specific individual to act as Project Consultant, subject to the approval of City. Consultant hereby designates **Duncan Lee, PE** (License No. **C44825**) to act as the **Engineer of Record** for the Project. The **Engineer of Record** shall: (1) maintain oversight of the Services; (2) have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement; (3) supervise and direct the Services using his or her best skill and attention; (4) be responsible for the means, methods, techniques, sequences and procedures used for the Services; (5) adequately coordinate all portions of the Services; and (6) act as principal contact with City and all contractors, consultants, engineers and inspectors on the Project. Any change in the **Engineer of Record** shall be subject to the City's prior written approval, which approval shall not be unreasonably withheld. The new **Engineer of Record** shall be of at least equal competence as the prior **Engineer of Record**. In the event that City and Consultant cannot agree as to the substitution of a new **Engineer of Record**, City shall be entitled to terminate this Agreement for cause.

3.2.2 Key Personnel. In addition to the **Engineer of Record**, Consultant has represented to the City that certain additional key personnel, engineers and consultants will perform the Services under this Agreement. Should one or more of such personnel, engineers or consultants become unavailable, Consultant may substitute others of at least equal competence upon written approval of the City. In the event that City and Consultant cannot agree as to the substitution of key personnel, engineers or consultants, City shall be entitled to terminate this Agreement for cause. The key additional personnel, engineers and consultants for performance of this Agreement are as follows: **Duncan Lee, PE, Jacob Peterson, PE, Victoria Whitener.**

3.3 Hiring of Consultants and Personnel.

3.3.1 Right to Hire or Employ. Consultant shall have the option, unless City objects in writing after notice, to employ at its expense architects, engineers, experts or other consultants qualified and licensed to render services in connection with the planning and/or administration of the Project, and to delegate to them such duties as Consultant may delegate without relieving Consultant from administrative or other responsibility under this Agreement. Consultant shall be responsible for the coordination and cooperation of Consultant's architects, engineers, experts or other consultants. All consultants, including changes in consultants, shall be subject to approval by City in its sole and reasonable discretion. Consultant shall notify City of the identity of all consultants at least fourteen (14) days prior to their commencement of work

to allow City to review their qualifications and approve to their participation on the Project in its sole and reasonable discretion.

3.3.2 Qualification and License. All architects, engineers, experts and other consultants retained by Consultant in performance of this Agreement shall be qualified to perform the Services assigned to them, and shall be licensed to practice in their respective professions, where required by law.

3.3.3 Standards and Insurance. All architects, engineers, experts and other consultants hired by Consultant shall be required to meet all of the same standards and insurance requirements set forth in this Agreement, unless other standards or requirements are approved by the City in writing. Unless changes are approved in writing by the City, Consultant's agreements with its consultants shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.3.4 Assignments or Staff Changes. Consultant shall promptly obtain written City approval of any assignment, reassignment or replacement of such architects, engineers, experts and consultants, or of other staff changes of key personnel working on the Project. As provided in the Agreement, any changes in Consultant's consultants and key personnel shall be subject to approval by City.

3.3.5 Draftsman and Clerical Support. Draftsmen and clerical personnel shall be retained by Consultant at Consultant's sole expense.

3.4 Standard of Care.

3.4.1 Standard of Care. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals qualified to perform the Services in the same discipline in the State of California, and shall be responsible to City for damages sustained by the City and delays to the Project as specified in the indemnification provision of this Agreement. Without limiting the foregoing, Consultant shall be fully responsible to the City for any increased costs incurred by the City as a result of any such delays in the design or construction of the Project. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants and represents that all of its employees, architects, engineers, experts and other consultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees, architects, engineers, experts and other consultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services assigned to or rendered by them and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein.

3.4.2 Performance of Employees. Any employee or consultant who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee or consultant who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.5 Laws and Regulations.

3.5.1 Knowledge and Compliance. Consultant shall keep itself fully informed of and in compliance with all applicable local, state and federal laws, rules and regulations in any manner affecting the performance of the Services or the Project, and shall give all notices required of the Consultant by law. Consultant shall be liable, pursuant to the standard of care and indemnification provisions of this Agreement, for all violations of such laws and regulations in connection with its Services. Consultant shall defend, indemnify and hold City, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.5.2 Drawings and Specifications. Consultant shall cause all drawings and specifications to conform to any applicable requirements of federal, state and local laws, rules and regulations, including the Uniform Building Code, in effect as of the time the drawings and specifications are prepared or revised during the latest phase of the Services described in Exhibit "A" attached hereto. Any significant revisions made necessary by changes in such laws, rules and regulations after this time may be compensated as Additional Services which were not known or reasonably should not have been known by Consultant. Consultant shall cause the necessary copies of such drawings and specifications to be filed with any governmental bodies with approval jurisdiction over the Project, in accordance with the Services described in Exhibit "A" attached hereto. For the preparation of all such drawings and specifications, the Consultant shall use Computer Aided Design Drafting ("CADD") (e.g., AutoCAD) or other technology acceptable to the Consultant and City.

3.5.3 Americans with Disabilities Act. Consultant will use its best professional efforts to interpret all applicable federal, state and local laws, rules and regulations with respect to access, including those of the Americans with Disabilities Act ("ADA"). Consultant shall inform City of the existence of inconsistencies of which it is aware or reasonably should be aware between federal and state accessibility laws, rules and regulations, as well as any other issues which are subject to conflicting interpretations of the law, and shall provide the City with its interpretation of such inconsistencies and conflicting interpretations. Unless Consultant brings such inconsistencies and conflicting interpretations to the attention of the City and requests City's direction on how to proceed, the Consultant's interpretation of such inconsistencies and conflicting interpretations shall be the sole responsibility and liability of Consultant, and the Consultant shall correct all plans, specifications and other documents prepared for the Project at no additional cost if its interpretations are shown to be incorrect. In the event that the Consultant request's City's direction on how to proceed with respect to any inconsistent and/or conflicting interpretation, the Consultant shall be responsible to the City only pursuant to the indemnification provisions of this Agreement.

3.5.4 Permits, Approvals and Authorizations. Consultant shall provide City with a list of all permits, approvals or other authorizations required for the Project from all federal, state or local governmental bodies with approval jurisdiction over the Project. Consultant shall then assist the City in obtaining all such permits, approvals and other authorizations. The costs of such permits, approvals and other authorizations shall be paid by the City.

3.5.5 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances

regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq*.); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant shall additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. Failure to comply with laws, regulations, and ordinances listed in this Section is a violation of federal and state law.

3.6 Independent Contractor.

3.6.1 Control and Payment of Subordinates. City retains Consultant on an independent contractor basis and Consultant is not an employee of City. Consultant is not an employee for state tax, federal tax or any other purpose, and is not entitled to the rights or benefits afforded to City's employees. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City, and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.7 Schedule of Services.

3.7.1 Consultant Services. Consultant shall fully and adequately complete the Services described in this Agreement and in Exhibit "A" attached hereto and incorporated herein by reference.

3.7.2 Timely Performance Standard. Consultant shall perform all Services hereunder as expeditiously as is consistent with professional skill and care, as well as the orderly progress of the Project work so as not to be the cause, in whole or in part, of delays in the completion of the Project or in the achievement of any Project milestones, as provided herein. Specifically, Consultant shall perform its Services so as to allow for the full and adequate completion of the Project within the time required by the City and within any completion schedules adopted for the Project. Consultant agrees to coordinate with City's staff, contractors and consultants in the performance of the Services, and shall be available to City's staff, contractors and consultants at all reasonable times.

3.7.3 Performance Schedule. Consultant shall prepare an estimated time schedule for the performance of Consultant's Services, to be adjusted as the Project proceeds. Such schedule shall be subject to the City's review and approval, which approval shall not be unreasonably withheld, and shall include allowances for periods of time required for City's review and approval of submissions, and for approvals of authorities having jurisdiction over Project approval and funding. If City and Consultant cannot mutually agree on a performance schedule, City shall have the authority to immediately terminate this Agreement. The schedule shall not be exceeded by Consultant without the prior written approval of City. If the Consultant's Services are not completed within the time provided by the agreed upon performance schedule, or any milestones established therein, it is understood, acknowledged and agreed that the City will suffer damage for which the Consultant will be responsible.

3.7.4 Excusable Delays. Any delays in Consultant's work caused by the following may be added to the time for completion of any obligations of Consultant: (1) the actions of City or its employees; (2) the actions of those in direct contractual relationship with City; (3) the actions of any governmental agency having jurisdiction over the Project; (4) the actions of any parties not within the reasonable control of the Consultant; and (5) any Force Majeure Event (as defined herein) or other unforeseen occurrence not due to any fault or negligence on the part of Consultant. Neither the City nor the Consultant shall be liable for damages, liquidated or otherwise, to the other on account of such delays.

3.7.5 Force Majeure Events. Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Consultant and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the Services and Agreement. Should a Force Majeure Event occur, the non-performing Party shall, within fifteen (15) calendar days of the beginning of an Force Majeure Event, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

3.7.6 Request for Excusable Delay Credit. The Consultant shall, within fifteen (15) calendar days of the beginning of any excusable delay, notify the City in writing of the causes of delay (unless City grants in writing a further period of time to file such notice prior to the date of final payment under the Agreement). City will then ascertain the facts and the extent of the delay, and grant an extension of time for completing the Services when, in its sole judgment, the findings of fact justify such an extension. The City's findings of fact thereon shall be final and conclusive on the Parties. Extensions of time shall apply only to that portion of the Services affected by the delay and shall not apply to other portions of the Services not so affected. The sole remedy of Consultant for extensions of time shall be an extension of the performance time at no cost to the City. If Additional Services are required as a result of an excusable delay, the Parties shall mutually agree thereto pursuant to the Additional Services provision of this Agreement. Should Consultant make an application for an extension of time, Consultant shall submit evidence that the insurance policies required by this Agreement remain in effect during the requested additional period of time.

3.8 Additional Services.

3.8.1 Request for Services. At City's request, Consultant may be asked to perform services not otherwise included in this Agreement, not included within the basic services

listed in Exhibit "A" attached hereto, and/or not customarily furnished in accordance with generally accepted architectural practice.

3.8.2 Definition. As used herein, "Additional Services" mean: (1) any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary for the Consultant to perform at the execution of this Agreement; or (2) any work listed as Additional Services in Exhibit "A" attached hereto. Consultant shall not perform, nor be compensated for, Additional Services without prior written authorization from City and without an agreement between the City and Consultant as to the compensation to be paid for such services. City shall pay Consultant for any approved Additional Services, pursuant to the compensation provisions herein, so long as such services are not made necessary through the fault of Consultant pursuant to the indemnification provision of this Agreement.

3.8.3 Examples of Additional Services. Such Additional Services shall not include any redesign or revisions to drawings, specifications or other documents when such revisions are necessary in order to bring such documents into compliance with applicable laws, rules, regulations or codes of which Consultant was aware or should have been aware pursuant to the laws and regulations provision of this Agreement above. Such Additional Services may include, but shall not be limited to:

(a) Separately Bid Portions of Project. Plan preparation and/or administration of work on portions of the Project separately bid.

(b) Furniture and Interior Design. Assistance to City, if requested, for the selection of moveable furniture, equipment or articles which are not included in the Construction Documents.

(c) Fault of Contractor. Services caused by delinquency, default or insolvency of contractor, or by major defects in the work of the contractor, provided that any such services made necessary by the failure of Consultant to detect and report such matters when it reasonably should have done so shall not be compensated.

(d) Inconsistent Approvals or Instructions. Revisions in drawings, specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given and are due to causes beyond the control of Consultant.

(e) Legal Proceedings. Serving as an expert witness on City's behalf or attending legal proceedings to which the Consultant is not a party.

(f) Damage Repair. Supervision of repair of damages to any structure.

(g) Extra Environmental Services. Additional work required for environmental conditions (e.g. asbestos or site conditions) not already contemplated within the Consultant's services for the Project.

3.9 City Responsibilities. City's responsibilities shall include the following:

3.9.1 Data and Information. City shall make available to Consultant all necessary data and information concerning the purpose and requirements of the Project, including scheduling and budget limitations, objectives, constraints and criteria. As part of the budget

limitation information, the City shall provide the Consultant with a preliminary construction budget ("City's Preliminary Construction Budget").

3.9.2 Project Survey. If required pursuant to the scope of the Project and if requested by Consultant, City shall furnish Consultant with, or direct Consultant to procure at City's expense, a survey of the Project site prepared by a registered surveyor or civil engineer, any other record documents which shall indicate existing structures, land features, improvements, sewer, water, gas, electrical and utility lines, topographical information and boundary dimensions of the site, and any other such pertinent information.

3.9.3 Bid Phase. Distribute Construction Documents to bidders and conduct the opening and review of bids for the Project.

3.9.4 Testing. Retain consultant(s) to conduct chemical, mechanical, soils, geological or other tests required for proper design of the Project, and furnish such surveys, borings, test pits, and other tests as may be necessary to reveal conditions of the site which must be known to determine soil condition or to ensure the proper development of the required drawings and specifications.

3.9.5 Required Inspections and Tests. Retain consultant(s) to conduct materials testing and inspection or environmental/hazardous materials testing and inspection pursuant to any applicable laws, rules or regulations.

3.9.6 Fees of Reviewing or Licensing Agencies. Directly pay or reimburse the payment of all fees required by any reviewing or licensing agency, or other agency having approval jurisdiction over the Project.

3.9.7 City's Representative. The City hereby designates the City Manager, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. The City Manager hereby designates **Dennis Mejia, PE. Utilities Engineering Manager**, or his or her designee, as the City's contact for the implementation of the Services hereunder. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.9.8 Review and Approved Documents. Review all documents submitted by Consultant, including change orders and other matters requiring approval by the City Council or other officials. City shall advise Consultant of decisions pertaining to such documents within a reasonable time after submission, so as not to cause unreasonable delay as provided in the excusable delay provisions of this Agreement above.

3.10 Compensation.

3.10.1 Consultant's Compensation for Basic Services. City shall pay to Consultant, for the performance of all Services rendered under this Agreement, the total not to exceed amount of **ONE HUNDRED EIGHT-SIX THOUSAND FIVE HUNDRED AND SIXTY-FIVE** Dollars **($186,565**) ("Total Compensation"). This Total Compensation amount shall be based upon, and may be adjusted according to, the fee schedule and related terms and conditions attached hereto as Exhibit "B" and incorporated herein by reference. The Total Compensation, as may be adjusted upon mutual agreement, shall constitute complete and adequate payment for Services under this Agreement.

3.10.2 Payment for Additional Services. At any time during the term of this Agreement, City may request that Consultant perform Additional Services. As used herein, Additional Services means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Any additional work in excess of this amount must be approved by the City. If authorized, such Additional Services will be compensated at the rates and in the manner set forth in Exhibit "B" attached hereto and incorporated herein by reference, unless a flat rate or some other form of compensation is mutually agreed upon by the Parties. If City requires Consultant to hire consultants to perform any Additional Services, Consultant shall be compensated therefore at the rates and in the manner set forth in Exhibit "B" attached hereto and incorporated herein by reference, unless a flat rate or some other form of compensation is mutually agreed upon by the Parties. City shall have the authority to review and approve the rates of any such consultants. In addition, Consultant shall be reimbursed for any expenses incurred by such consultants pursuant to the terms and conditions of Section 3.10.3.

3.10.3 Reimbursable Expenses. Reimbursable expenses are in addition to compensation for the Services and Additional Services. Consultant shall not be reimbursed for any expenses unless authorized in writing by City, which approval may be evidenced by inclusion in Exhibit "B" attached hereto. Such reimbursable expenses shall include only those expenses which are reasonably and necessarily incurred by Consultant in the interest of the Project. Consultant shall be required to acquire prior written consent in order to obtain reimbursement for the following: (1) extraordinary transportation expenses incurred in connection with the Project; (2) out-of-town travel expenses incurred in connection with the Project; (3) fees paid for securing approval of authorities having jurisdiction over the Project; (4) bid document duplication costs in excess of $1,000; and (5) other costs, fees and expenses in excess of $1,000.

3.10.4 Payment to Consultant. Consultant's compensation and reimbursable expenses shall be paid by City to Consultant no more often than monthly. Such periodic payments shall be made based upon the percentage of work completed, and in accordance with the phasing and funding schedule provided in Exhibit "B" and the compensation rates indicated in Exhibit "B" attached hereto and incorporated herein by reference. In order to receive payment, Consultant shall present to City an itemized statement which indicates Services performed, percentage of Services completed, method for computing the amount payable, and the amount to be paid. The statement shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement, as well as those expenses for which reimbursement is requested for that statement period. The amount paid to Consultant shall never exceed the percentage amounts authorized by the phasing and funding schedule located in Exhibit "B" attached hereto. City shall, within thirty (30) days of receiving such statement, review the statement and pay all approved charges thereon pursuant to the provisions of Civil Code Section 3320. Disputed amounts shall be resolved by the Parties in a mutually agreeable manner.

Payments made for Additional Services shall be made in installments, not more often than monthly, proportionate to the degree of completion of such services or in such other manner as the Parties shall specify when such services are agreed upon, and in accordance with any authorized fee or rate schedule. In order to receive payment, Consultant shall present to City an itemized statement which indicates the Additional Services performed, percentage of Additional Services completed, method for computing the amount payable, and the amount to be paid. The statement shall describe the amount of Additional Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within thirty (30) days of receiving such statement, review

the statement and pay all approved charges thereon pursuant to the provisions of Civil Code Section 3320. Disputed amounts shall be resolved by the Parties in a mutually agreeable manner.

Upon cancellation or termination of this Agreement, Consultant shall be compensated as set forth in the termination provision herein.

3.10.5 Withholding Payment to Consultant. The City may withhold payment, in whole or in part, to the extent reasonably necessary to protect the City from claims, demands, causes of action, costs, expenses, liabilities, losses, damages, or injuries of any kind to the extent arising out of or caused by the negligence, recklessness, or willful misconduct protected under the indemnification provisions of this Agreement. Failure by City to deduct any sums from a progress payment shall not constitute a waiver of the City's right to such sums. The City may keep any moneys which would otherwise be payable at any time hereunder and apply the same, or so much as may be necessary therefor, to the payment of any expenses, losses, or damages as determined by the City, incurred by the City for which Consultant is liable under the Agreement or state law. Payments to the Consultant for compensation and reimbursable expenses due shall not be contingent on the construction, completion or ultimate success of the Project. Payment to the Consultant shall not be withheld, postponed, or made contingent upon receipt by the City of offsetting reimbursement or credit from Parties not within the Consultant's reasonable control.

3.10.6 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Sections 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and Since the total compensation is $1,000 or more, Consultant agrees to fully comply with and to require its consultants to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the Project site. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure of the Consultant or its consultants to comply with the Prevailing Wage Laws.

(a) Registration/DIR Compliance. If the Services are being performed as part of an applicable "public works project" of over $25,000 when the project is for construction, alteration, demolition, installation, or repair work, or a public works project of over $15,000 when the project is for maintenance work, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such Services must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain

registration for the duration of the Project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR. Any stop orders issued by the Department of Industrial Relations against Consultant or any subconsultant that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subconsultant.

3.10.7 Automated Clearing House ("ACH") payments. It is the City's policy to pay its consultant invoices via electronic fund transfers through the ACH network. All payments due and owing pursuant to a properly issued and correct invoice or under this Agreement shall be made through electronic ACH transfers, unless otherwise agreed upon by both Parties in writing. Consultant shall provide the City with ACH payment details whereby the City shall initiate the ACH transfers to Consultant in the amount required pursuant to a properly issued and correct invoice or under this Agreement. Each Party shall undertake any and all required actions and execute any required documents, instruments, or agreements required to effectuate the requirements of this Section. In the event the City erroneously deposits funds into an account, or otherwise deposits funds to which Consultant is not entitled: (1) Consultant shall immediately notify the City and the financial institution; (2) Consultant shall not withdraw any of the funds which were erroneously deposited or to which Consultant is not entitled; and (3) Consultant authorizes both the City and financial institution to take all actions necessary to correct the error and return to the City all funds erroneously deposited or to which Consultant is not entitled.

3.11 Notice to Proceed.

Consultant shall not proceed with performance of any Services under this Agreement unless and until the City provides a written notice to proceed.

3.12 Termination, Suspension and Abandonment.

3.12.1 Grounds for Termination; Consultant's Termination for Cause. City hereby reserves the right to suspend or abandon, at any time and for any reason, all or any portion of the Project and the construction work thereon, or to terminate this Agreement at any time with or without cause. Consultant shall be provided with at least seven (7) days advanced written notice of such suspension, abandonment or termination. In the event of such suspension, abandonment or termination, Consultant shall be paid for Services and reimbursable expenses rendered up to the date of such suspension, abandonment or termination, pursuant to the schedule of payments provided for in this Agreement, less any claims against or damages suffered by City as a result of the default, if any, by Consultant. Consultant hereby expressly waives any and all claims for damages or compensation arising under this Agreement, except as set forth herein, in the event of such suspension, abandonment or termination. Consultant may terminate this Agreement for substantial breach of performance by the City such as failure to make payment to Consultant as provided in this Agreement.

3.12.2 City's Suspension of Work. If Consultant's Services are suspended by City, City may require Consultant to resume such Services within ninety (90) days after written notice

from City. When the Project is resumed, the Total Compensation and schedule of Services shall be equitably adjusted upon mutual agreement of the City and Consultant.

3.12.3 Documents and Other Data. Upon suspension, abandonment or termination, Consultant shall provide to City all preliminary studies, sketches, working drawings, specifications, computations, and all other Project Documents, as defined below, to which City would have been entitled at the completion of Consultant's Services under this Agreement. Upon payment of the amount required to be paid to Consultant pursuant to the termination provisions of this Agreement, City shall have the rights, as provided in this Agreement hereinafter, to use such Project Documents prepared by or on behalf of Consultant under this Agreement. Consultant shall make such documents available to City upon request and without additional compensation other than as may be approved as a reimbursable expense.

3.12.4 Employment of other Consultants. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.13 Ownership and Use of Documents; Confidentiality.

3.13.1 Ownership. All plans, specifications, original or reproducible transparencies of working drawings and master plans, preliminary sketches, architectural presentation drawings, structural computations, estimates and any other documents prepared pursuant to this Agreement, including, but not limited to, any other works of authorship fixed in any tangible medium of expression such as writings, physical drawings and data magnetically or otherwise recorded on computer diskettes (hereinafter referred to as the "Project Documents") shall be and remain the property of City. Although the official copyright in all Project Documents shall remain with the Consultant or other applicable subcontractors or consultants, the Project Documents shall be the property of City whether or not the work for which they were made is executed or completed. Within thirty (30) calendar days following completion of the Project, Consultant shall provide to City copies of all Project Documents required by City. In addition, Consultant shall retain copies of all Project Documents on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of reasonable duplication costs. Before destroying the Project Documents following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.13.2 Right to Use. Consultant grants to City the right to use and reuse all or part of the Project Documents, at City's sole discretion and with no additional compensation to Consultant, for the following purposes:

(a) The construction of all or part of this Project.

(b) The repair, renovation, modernization, replacement, reconstruction or expansion of this Project at any time;

(c) The construction of another project by or on behalf of the City for its ownership and use;

City is not bound by this Agreement to employ the services of Consultant in the event such documents are used or reused for these purposes. City shall be able to use or reuse the Project Documents for these purposes without risk of liability to the Consultant or third parties with respect

to the condition of the Project Documents, and the use or reuse of the Project Documents for these purposes shall not be construed or interpreted to waive or limit City's right to recover for latent defects or for errors or omissions of the Consultant.

Any use or reuse by City of the Project Documents on any project other than this Project without employing the services of Consultant shall be at City's own risk with respect to third parties. If City uses or reuses the Project Documents on any project other than this Project, it shall remove the Consultant's seal from the Project Documents and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Project Documents on such other project.

3.13.3 License. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify or reuse any and all Project Documents and any intellectual property rights therein. Consultant shall require any and all subcontractors and consultants to agree in writing that City is granted a non-exclusive and perpetual license for the work of such subcontractors or consultants performed pursuant to this Agreement.

3.13.4 Right to License. Consultant represents and warrants that Consultant has the legal right to license any and all copyrights, designs and other intellectual property embodied in the Project Documents that Consultant prepares or causes to be prepared pursuant to this Agreement. Consultant shall indemnify and hold City harmless pursuant to the indemnification provisions of this Agreement for any breach of this Section. Consultant makes no such representation and warranty in regard to previously prepared designs, plans, specifications, studies, drawings, estimates or other documents that were prepared by design professionals other than Consultant and provided to Consultant by City.

3.13.5 Confidentiality. All Project Documents, either created by or provided to Consultant in connection with the performance of this Agreement, shall be held confidential by Consultant to the extent they are not subject to disclosure pursuant to the Public Records Act. All Project Documents shall not, without the written consent of City, be used or reproduced by Consultant for any purposes other than the performance of the Services. Consultant shall not disclose, cause or facilitate the disclosure of the Project Documents to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the written consent of City.

3.14 Indemnification.

3.14.1 To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall

survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

3.14.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.15 Insurance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this Section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.15.1 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, Consultant shall, at its expense, procure and maintain in full force and effect for the duration of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

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

3.15.3 Commercial General Liability

(a) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the City.

(b) Coverage for Commercial General Liability insurance shall be at least as broad as the following: Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent. Commercial General Liability Insurance must include coverage for the following:

(i) Bodily Injury and Property Damage

(ii) Personal Injury/Advertising Injury

(iii) Premises/Operations Liability

(iv) Products/Completed Operations Liability

(v) Aggregate Limits that Apply per Project

(vi) Explosion, Collapse and Underground (UCX) exclusion deleted

(vii) Contractual Liability with respect to this Contract

(viii) Broad Form Property Damage

(ix) Independent Consultants Coverage

(c) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(d) The policy shall give City, the City Council and each member of the City Council, its officers, employees, agents and City designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(e) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City, and provided that such deductibles shall not apply to the City as an additional insured.

3.15.4 Automobile Liability

(a) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the City.

(b) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(c) The policy shall give City, the City Council and each member of the City Council, its officers, employees, agents and City designated volunteers additional insured status.

(d) Subject to written approval by the City, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the City as an additional insured, but not a self-insured retention.

3.15.5 Workers' Compensation/Employer's Liability

(a) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(b) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this Section.

3.15.6 Professional Liability (Errors and Omissions)

(a) At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the City and in an amount indicated herein. This insurance shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

3.15.7 Minimum Policy Limits Required

(a) The following insurance limits are required for the Agreement:

Coverage	Combined Single Limit
Commercial General Liability	$2,000,000 per occurrence/ $4,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	$2,000,000 per occurrence for bodily injury and property damage
Employer's Liability	$1,000,000 per occurrence
Professional Liability	$2,000,000 per claim and aggregate (errors and omissions)

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

(c) Defense costs shall be payable in addition to the limits.

(d) Requirements of specific coverage or limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

3.15.8 Evidence Required

(a) Prior to execution of the Agreement, the Consultant shall file with the City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

3.15.9 Policy Provisions Required

(a) Consultant shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration.

(b) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

(c) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

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

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

3.15.10 Qualifying Insurers

(a) All policies required shall be issued by acceptable insurance companies, as determined by the City, which satisfy the following minimum requirements: Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.15.11 Additional Insurance Provisions

(a) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(b) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

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

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

3.15.12 Subconsultant Insurance Requirements

(a) Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the City that they have secured all insurance required under this Section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the City as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, City may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.16 Records.

Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of five (5) years from the date of final payment under this Agreement.

3.17 Standardized Manufactured Items.

Consultant shall cooperate and consult with City in the use and selection of manufactured items on the Project, including but not limited to, paint, hardware, plumbing, mechanical and electrical equipment, fixtures, roofing materials and floor coverings. All such manufactured items shall be standardized to City's criteria to the extent such criteria do not interfere with building design.

3.18 Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described herein. Any additional or subsequent construction at the site of the Project, or at any other City site, will be covered by, and be the subject of, a separate Agreement for engineering services between City and the Consultant chosen therefor by City.

3.19 Mediation.

Disputes arising from this Agreement may be submitted to mediation if mutually agreeable to the Parties hereto. The type and process of mediation to be utilized shall be subject to the mutual agreement of the Parties.

3.20 Successors and Assigns.

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of City. Any attempted assignment without such consent shall be invalid and void.

3.21 Asbestos Certification.

Consultant shall certify to City, in writing and under penalty of perjury, that to the best of its knowledge, information and belief no asbestos-containing material or other material deemed to be hazardous by the state or federal government was specified as a building material in any construction document that the Consultant prepares for the Project. Consultant shall require all consultants who prepare any other documents for the Project to submit the same written certification. Consultant shall also assist the City in ensuring that contractors provide City with certification, in writing and under penalty of perjury, that to the best of their knowledge, information and belief no material furnished, installed or incorporated into the Project contains asbestos or any other material deemed to be hazardous by the state or federal government. These certifications shall be part of the final Project submittal. Consultant shall include statements in its specifications that materials containing asbestos or any other material deemed to be hazardous by the state or federal government are not to be included.

3.22 No Third Party Rights.

This Agreement shall not create any rights in, or inure to the benefits of, any third party except as expressly provided herein.

3.23 Governing Law.

This Agreement shall be construed in accordance with, and governed by, the laws of the State of California. Venue shall be in San Bernardino County.

3.24 Exhibits and Recitals.

All exhibits and recitals contained herein and attached hereto are material parts of this Agreement and are incorporated as if fully set forth.

3.25 Severability.

Should any provision in the Agreement be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall continue in full force and effect.

3.26 Non-Waiver.

None of the provisions of this Agreement shall be considered waived by either Party, unless such waiver is specifically specified in writing.

3.27 Safety.

Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of its employees, consultant and subcontractors appropriate to the nature of the work and the conditions under which the work is to be performed.

3.28 Harassment Policy.

Consultant shall provide a copy of the City's Harassment Policy to each of its employees assigned to perform the tasks under this Agreement. Consultant shall submit to the City's Personnel Manager a statement signed by each of its employees who are assigned to perform the Services under this Agreement certifying receipt of City's Harassment Policy and certifying that they have read the Harassment Policy. A finding by the City that any of Consultant's employees has harassed a City employee shall be grounds for appropriate discipline, up to and including such employee's removal from performance of this Agreement at City's request.

3.29 Delivery of Notices.

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

CITY:	CONSULTANT:
City of Ontario	Pacific Advanced Civil Engineering, Inc.
303 East “B” Street	17520 Newhope Street, Suite 120
Ontario, CA 91764	Fountain Valley, CA 92708

Attn: Dennis Mejia, P.E.,	Attn: Duncan Lee, P.E.
Utilities Engineering Manager	Principal, QA/QC Manager – Utilities Division

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

3.30 Time of Essence.

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

3.31 City's Right to Employ Other Consultants.

City reserves right to employ other consultants, including designers, in connection with this Project or other projects.

3.32 Prohibited Interests.

3.32.1 Solicitation. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability.

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

3.33 Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or any other classification protected by federal or state law. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's minority business enterprise program, affirmative action plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.34 Labor Certification.

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

3.35 Subcontracting.

As specified in this Agreement, Consultant shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to each and every provision of this Agreement.

3.36 Supplemental Conditions.

Any supplemental conditions shall be attached as an exhibit to this Agreement, and that exhibit shall be incorporated herein by reference.

3.37 Entire Agreement.

This Agreement, with its exhibits, contains the entire agreement of the Parties hereto, and supersedes any and all other prior or contemporaneous negotiations, understandings and oral or written agreements between the Parties hereto. Each Party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. Furthermore, any modification of this Agreement shall only be effective if in writing signed by all Parties hereto.

SIGNATURES ON FOLLOWING PAGE

SIGNATURE PAGE FOR DESIGN SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND PACIFIC ADVANCED CIVIL ENGINEERING, INC.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

PACIFIC ADVANCED CIVIL ENGINEERING, INC

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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

EXHIBIT "A"
SCOPE OF SERVICES

FOR
PROVIDING PROFESSIONAL DESIGN SERVICES
FOR

JOHN GALVIN PARK WATER TREATMENT PLANT UPGRADES (UT1089)

The Consultant is responsible for providing the following general Scope of Services:

1. GENERAL REQUIREMENTS.

John Galvin Park is located on the southeastern corner of 4th Street and Cucamonga Avenue in Ontario, California and houses several key water infrastructure facilities, including two water storage reservoirs (1074-1A and 1074-1B), two groundwater wells (Nos. 44 and 52), a booster station with three pumps supplying the 1212 pressure zone and one pump serving the 1348 pressure zone, as well as an ion exchange (IX) treatment facility which has a production capacity of 5,000 gallons of drinking water per minute. The IX treatment facility discharges brine into a brine waste line that can accommodate up to 45 gallons per minute of permitted brine waste. Additionally, the site contains a decommissioned water purification plant and a Chlorination station that are no longer in use (See Attachment-1).

Wells No. 44 and 52 extract raw groundwater with nitrate and perchlorate levels that exceed drinking water standards and are treated at the John Galvin IX Treatment Facility. The treated water is blended with a portion of raw groundwater and then undergoes chlorination to produce the final blend. This treated water is stored in the 1074 reservoirs for distribution within the 1074 pressure zone or can be boosted into the 1212 or 1348 pressure zones.

Currently, Wells No. 44 and 52 cannot operate simultaneously or consistently over a period of three months or more due to groundwater quality constraints. The raw groundwater contains nitrate, perchlorate, dibromochloropropane (DBCP), per- and polyfluoroalkyl substances (PFAS), and total coliform bacteria (TCB). There are no fecal coliform bacteria in these wells.

The John Galvin IX Treatment Facility's treatment technology is outdated, and replacement control hardware is no longer manufactured. The resin media has reached the end of its service life and is starting to break down. Additionally, when boosted, the current infrastructure cannot meet the calculated contact time for 4-log viral inactivation before reaching the first customer in the 1212 pressure zone. The first customer is located directly across the street (Cucamonga Avenue) from the booster pump station.

The existing IX facility may require reconfiguration, expansion, or complete reconstruction to integrate updated IX technology. Treatment may utilize single-use IX resins, regenerative IX resins, or any combination of the two. The existing facility has a brine line that may be used to dispose of wastewater from regenerative resins. Biological treatment for nitrate and perchlorate is not a preferred option and should not be considered. 4-log viral inactivation should be achieved either by reconfiguring and/or extending on-site pipelines or repurposing the decommissioned water purification plant and/or a chlorination station as a contact chamber.

The successful Consultant will provide design recommendations (not the design itself) to enable the simultaneous and continuous operation of Wells No. 44 and 52; ensuring adequate chlorine contact time to inactivate TCB using a 4-log viral inactivation standard; updating the IX treatment plant's technology to reduce nitrate, perchlorate, and PFAS concentrations to meet drinking water standards (Treatment of DBCP is not needed at this time; however, future design might be required if the DBCP levels increase over time or regulations change); provide sufficient water supply from both wells to meet the demands of the 1074, 1212 & 1348 pressure zones.

1.1 Basic Services. Consultant agrees to perform all the necessary professional, engineering (e.g. mechanical, electrical, plumbing, structural, civil, site engineering), and any other necessary engineering services mutually agreeable to the parties for the Project in a timely and professional manner, consistent with the standards of the profession, including those provided for herein.

1.2 Exclusions from Basic Services. The following services will be excluded from the basic services listed above: "N/A", NOT APPLICABLE.

1.3 Communication with City. Consultant will participate in consultations and conferences with authorized representatives of City and/or other local, regional, or State agencies concerned with the Project, which may be necessary for the completion of the Project or the development of documents in accordance with the applicable standards and requirements of law and the City. Such consultations and conferences will continue throughout the planning and development of the Project. Consultant will take direction only from the City's Representative, or any other representative specifically designated by the City for this Project, including any Construction Manager hired by the City.

1.3.1 **Weekly Project Check-ins.** Consultant will provide a minimum of one brief weekly project update via telephone call to the City's Project Manager and follow-up the telephone call with a brief email to summarize the discussion. The Weekly Check-in will include: current project status; tasks or items completed since last project update; tasks and items expected to be completed in the coming week; any issues that may affect project status; and any action items for the Consultant and City.

1.3.2 **Meeting Agendas and Minutes with Action Items.** Agendas, with attachments, will be sent at least one full business day prior to the date of the meeting. Meeting Minutes (draft and final) with Action Items will be sent within three business days after: all Meetings regarding the Project, including meetings with the City or any other parties; and after all Project communications regarding change in project status.

1.3.3 **Monthly Billings.** Invoices will include, at a minimum, number of hours budgeted for each task or sub-task, number of hours spent during the month and cumulative for the project. In addition, the monthly invoices will identify labor, indirect and other project related costs incurred during the month and brief description of the activities. Consultant will provide to the Project Manager one (1) electronic copy (smart pdf).

1.3.4 **Monthly Billing Status Reports.** A Monthly Billing Status Report will be submitted with the Monthly Billing Invoice, which includes: summary of work completed and

review of work status relative to budget and schedule. Any divergences between work completed and budget expended and schedule needs to be specifically explained and addressed to avoid future budget short-comings and delays in schedule.

1.3.5 **Updated Project Schedule.** The Project Schedule will be updated monthly, or whenever there is an expected change to the deliverables schedules and will address any deviation from the schedule, if any. Updated project schedules will be sent with the appropriate weekly check-in.

1.3.6 **Updated Project Budget.** The Project Budget (including an itemized Costs Estimate) will be updated whenever there are changes that are expected to significantly impact estimated Project Budget, and at a minimum, with the completion of each task.

1.3.7 **Kickoff Meeting:** Consultant will organize, prepare and facilitate the Project Kickoff Meeting. The kickoff meeting will include an agenda and a review of project scope, schedule, establish project communication procedures, define project deliverables, and meeting schedule.

1.3.8 **Decision Log:** Consultant will maintain a decision log in order to record the decisions made by the project team. The decision log will contained all decisions, including those made during the technical workshops, project meetings, telephone conversations and emails. Decision Log at the minimum will include the following heading: item number, date, item action description, decision made, action taken, notes.

1.3.9 **Format of Deliverables:** Consultant will submit all original documents in one or more of the followings formats as directed to by the City: MS Word, MS Excel, MS Project, MS Power Point, PDF, AutoCAD, Arc GIS.

PROJECT TASKS

Consultant will provide Professional Engineering services for a feasibility study (FS) and preliminary design report (PDR) for Upgraded John Galvin Park Water Treatment Plant (Project). This scope of work for Professional Engineering services is based on a set of assumptions as described below. The scope includes two tasks (and one optional task) with numerous subtasks, as follows:

Task 1 – Feasibility Study (FS) and Preliminary Design Report (PDR)

Objective: Consultant shall prepare a draft and final FS and PDR for the Project, along with site improvements Plans consistent with City's standards, master plans, existing property limits and requirements from other agencies. These guidelines are available at the City's website (https://www.ontarioca.gov/Engineering/DesignGuidelines).

Task 2 – CEQA Compliance
Objective: Prepare appropriate environmental documentation to fulfill CEQA requirements associated with the project. This proposal is limited to identifying the appropriate CEQA pathway and recommending required technical studies. Preparation of any CEQA documents (e.g., IS/MND, EIR, or appendices) is not a part of this current scope.

Task 3 – Additional Optional Services
Objective: Provide the Consultant an opportunity to identify any additional work that may be beneficial to the Project that is not otherwise already specified in this Scope of Work.

TASK 1 – FEASIBILITY STUDY (FS) AND PRELIMINARY DESIGN REPORT (PDR)

Task 1.1 Project Kick-Off Meeting

Consultant shall review all available guidelines, record drawings and general requirements for the project in preparation for the kickoff meeting.

The kickoff meeting will be required with Ontario Municipal Utilities Company (OMUC) to discuss design criteria, performance requirements, and project approach.

- Consultant will begin this project with a kick-off meeting with City staff. This meeting is a key opportunity for City representatives and the Consultant team to steer and further clarify critical elements of the project. The meeting agenda will focus on the project understanding, team member involvement, project constraints, project progress, and anticipated design development impediments. This meeting will also include a review of background information and project scope as well as an overview of the project schedule, objectives, milestones and details.
- Consultant will interview key personnel of the Engineering, Water Production, and Operations staff to incorporate design preferences and fully understand the issues influencing the project.
- Consultant will establish a single point of contact and commit that person for the duration of the Project to provide timely information relative to the Project issues.

- Consultant will prepare project weekly status reports, meeting minutes and recognize critical issues early on to discuss and resolve them with City staff.
- The project requires project management which includes project setup, scheduling, controlling, and correspondence. Correspondence includes telephone conversations, emails, project status reports, monthly status reports, project memorandums when necessary and detailed monthly invoices.

Task 1.2 Outside Agency Coordination

The successful implementation of the project will include coordination with Southern California Edison (SCE), Division of Drinking Water (DDW), Chino Basin Desalter Authority (CDA), Inland Empire Utilities Agency (IEUA), LA County Sanitation Districts (LACSD), and various other agencies. The Consultant will establish a point of contact from each agency that will be able to provide any technical input and submit all necessary plans and specifications to secure all approvals and permits that will be necessary to construct the project. Consultant, on the City's behalf, shall procure all permits, waivers, licenses and other authorizations necessary to accomplish work.

The Project involves two distinct brine conveyance segments: (1) the IEUA/LACSD Brine Line, a gravity system located at Council Avenue and the I-10 Freeway where the City system discharges—owned by LACSD and operated, maintained, and overseen for compliance by IEUA—which is not part of this evaluation; and (2) the City Brine Force Main, consisting of dual 4-inch pressurized pipelines conveying regeneration waste from the John Galvin Treatment Facility to the IEUA/LACSD connection point. All references to the "brine line" in this Scope of Work shall refer exclusively to the City Brine Force Main, which has been reported to exhibit internal scaling and reduced hydraulic capacity. The Consultant shall evaluate the City Brine Force Main by reviewing available inspection data, operational records, and maintenance history, identifying data gaps, and proposing and performing additional field investigations if necessary to assess condition, remaining service life, and potential mitigation or rehabilitation needs.

Data relevant to the required engineering work will be identified, collected, and assembled. The primary purpose will be to identify data required from the City, utility companies, permittee, agencies with vested interest in the project (e.g. SCE, DDW, CDA, and various other agencies) and other sources to ensure that the design proceeds in accordance with the requirements of the many entities involved. Information will include, but not be limited to, existing maps, reports, record drawings and other data that are readily available in hardcopy or electronic format. A list of all the requested documents collected under this task, including a brief item description, will be provided to the City.

Task 1.3 Surveying

Complete surveying and aerial mapping of the site will be performed. These services will provide for topographic survey and verification of existing elevations and slopes. Consultant will provide the following surveying services:

- Obtain permits (applications) as required from other agencies
- Research county records for survey control,

- Establish survey ground control for aerial mapping using NAD83 coordinates and City/County benchmarks, and
- Provide aerial mapping by photogrammetric methods at 40-scale, one foot contour intervals, width of survey shall be R/W to R/W (CADD & PDF files)

Task 1.4 Potholing Services

Record data research of utility record drawing information may fail to accurately identify both vertical and horizontal locations of subsurface facilities. Where detailed information is required to construct a tie-in connection or avoid crossing interferences and conflicts, potholing will be used to verify horizontal and vertical depths.

Consultant shall be responsible for developing a potholing plan for locating and profiling existing U/G utilities and submit to City for approval. After the City's approval, consultant shall be responsible for conducting the required potholing. For the purpose of providing a fee for this scope, consultant shall assume that there will be 15 pothole locations at a depth of 8 feet.

Pothole repair includes slurry backfill with **permanent hot asphalt mix pavement** repair per City Standards (Attachment-2). Consultant will obtain an encroachment permit for the potholing from the City. Encroachment permit fee will be waived.

Upon completion of potholing, Consultant shall submit to the City the Potholing Report describing all findings in PDF format.

Task 1.5 Geotechnical Investigation

The Consultant shall perform a detailed geotechnical investigation and prepare a report for the Project. The report shall include but is not limited to: a minimum of 3 borings at the site, to determine subsurface conditions and site geology, soil bearing capacity, presence of rock and rock removal capability factors/analysis, anticipated excavation characteristics of materials at the proposed sites, groundwater conditions and dewatering, R-values, moisture content, density, gradation, consolidation, expansion, soil contamination issues, laboratory test results (max density, sieve analysis, Atterberg limit), soil corrosivity, soil chemistry test results (pH, resistivity, sulfate content), corrosion protection and control, pipeline bedding requirements, suitability of native material for backfill, and shoring recommendations. Additional borings, if necessary and agreed to by the OMUC Project Manager shall be completed after a written contract change order is approved. Consultant shall incorporate any and all geotechnical requirements into the planning and design phases of the Project in conformance with the industry standard of care. Consultant will obtain an encroachment permit for the potholing from the City. Encroachment permit fee will be waived.

Pothole repair includes slurry backfill with **permanent hot asphalt mix pavement** repair per City Standards (Attachment-2). Consultant will obtain an encroachment and traffic control permit for the potholing from the City. Encroachment permit fee will be waived.

Consultant shall summarize all findings, results, and recommendations into a draft geotechnical investigation report. Three (3) copies and one (1) electronic copy of the draft geotechnical report

shall be submitted for review. OMUC comments shall be incorporated and three (3) copies and one (1) electronic copy of the final geotechnical report shall be submitted.

Task 1.6 Site Layout, SCADA and Instrumentation Workshop and Technical Memorandum

The primary purpose of the workshop will be to define requirements for the ultimate layout of the site, including facilities that will be constructed as part of this project and those that will be constructed in the future, and to define SCADA system requirements such that seamless integration of the new facility with the existing SCADA system will be readily achieved. A workshop will be conducted with the City Water Production staff to:

- Discuss operational needs and optimal site layout requirements,
- Discuss the City's existing SCADA system configuration, SCADA workshop shall include cybersecurity assessment and data communication/integration protocols.
- Define equipment standardization requirements,
- To define the line of demarcation between the Consultant and the City's SCADA consultant,
- To discuss other instrumentation and control issues as required.
- Discuss lead times of equipment and if certain equipment may be ordered by the City and listed as "owner supplied" in the plans and specifications in order to minimize procurement and construction time
- Discuss site security needs and requirements
- The consultant shall evaluate site configuration and layout constraints given the facility's proximity to John Galvin Park. The work plan shall address construction staging limits, restricted site access, and required coordination with adjacent recreational uses. The design shall modernize existing treatment vessels and, to the extent practicable, remain within the current OMUC facility footprint. If expansion is required, the consultant shall assess technical feasibility and impacts of acquiring additional land from the City Park or parcels across Cucamonga Street, considering hydraulic connectivity, brine line capacity, and long-term operational efficiency.
- Discuss operational considerations associated with the existing brine line's reduced capacity, including potential impacts to IX regeneration waste flows, SCADA controls for brine discharge rates, and required coordination with IEUA/LACSD for allowable discharge volumes.

The Consultant shall compile the findings of the workshop into a technical memorandum for review and approval by the City.

Task 1.7 Opinion of Probable Construction Cost

An initial opinion of probable construction cost will be prepared and will include construction costs, engineering costs, appropriate contingencies, and an allowance for administrative costs. The cost estimate will incorporate the Consultant's experience with similar projects as well as current, market-driven construction costs. Contact will be made with equipment suppliers and manufacturers to obtain budget pricing for major equipment items.

The initial opinion of probable construction cost will be included as a section in the PDR. The Consultant will provide opinion of probable construction cost which will form the basis upon which the bid schedule items and quantities will be developed.

Task 1.8 Project Schedule

An initial project schedule will be prepared including PDR development, design, bidding, construction and post construction activities. The City will be advised on the schedule impact of project technical decisions and the project schedule will be consistently updated (on at least a monthly basis) to reflect current project status. The project schedule will be included as a section in the PDR and will be updated throughout the course of the project.

Task 1.9 Feasibility Study (FS) & Workshop

Anticipate a City review for both the draft and final FS. The Consultant will hold one 4-hour workshop for the initial submittal of the Draft FS to walk through the findings and recommendations. Consultant will prepare an agenda for OMUC's review prior to the meeting. Consultant will draft meeting minutes with action items to be distributed within five working days following the meetings. Consultant will hold one additional workshop prior to finalizing the FS.

At a minimum, the FS shall include the following:

1. John Galvin IX Treatment Facility Evaluation: Determine whether upgrading or reconstructing the facility is the most cost-effective approach.
2. Technology Selection & Cost Efficiency:
    a. Evaluate various IX treatment technologies and their cost-effectiveness for nitrate and perchlorate
    b. Evaluate IX or Granular Activated Carbon (GAC) treatment technologies and their cost-effectiveness for PFAS
3. Resin Selection & Cost Analysis:
    a. Identify suitable resins for treating nitrate and perchlorate either sequentially or simultaneously. Considering the following elements, potential need for multiple treatment trains, and operations and maintenance (O&M) costs (e.g., brine line usage, resin replacement, lifecycle costs).
    b. If IX is considered for PFAS analytes, identify suitable resins and assess the potential need for multiple treatment trains and O&M costs; If GAC is considered for PFAS analytes, determine the best raw material and porous structure.
4. 4-Log Viral Inactivation: Assess whether the chlorine contact time can be achieved by:
    a. Reconfiguring existing or installing additional piping, or
    b. If repurposing the decommissioned purification plant and/or Chlorination station as a contact basin is more cost-effective
    c. Evaluating additional treatment processes, such as ultraviolet (UV) or ozone.
5. Site Constraints: Determine preliminary site layout considering Project footprint is limited due to the surrounding area being a public park.
6. Brine Line Capacity Evaluation and Resin Technology Cost Implications
    a. Existing Brine Line Condition and Capacity Assessment:
    The Consultant shall evaluate the current condition of the existing brine line,

including scaling, mineral buildup, hydraulic restrictions, and any structural or operational deficiencies that reduce its ability to convey regeneration waste. The assessment shall identify:

- Probable remaining hydraulic capacity
- Long-term impacts on IX regeneration processes
- Required corrective actions, cleaning, rehabilitation, or replacement
- Cost ranges and constructability considerations for each corrective alternative

b. Impact on Rechargeable (Regenerable) Resin Alternatives:
Because rechargeable IX resin generates brine waste that must be discharged into the regional brine line, the FS shall analyze:

- Whether the existing brine line can reliably support future regeneration discharge
- Required mitigation, rehabilitation, or upsizing costs needed to restore full capacity
- How these costs affect lifecycle cost comparisons for resin technologies
- Additional permitting requirements from IEUA/LACSD for increased brine loading
- Brine line rehabilitation or mitigation costs shall be added to the total cost of ownership for rechargeable IX resin alternatives.

c. Impact on Disposable Resin Alternatives:
Disposable IX resin does not require use of the brine line; however, these alternatives incur other operating and capital costs, including:

- Spent resin disposal and transportation costs
- Frequency of replacement
- Vendor-specific disposal or incineration fees
- Potential hazardous waste classification and permitting requirements
- The FS shall incorporate these costs into the lifecycle evaluation and compare them against the rechargeable resin scenarios including the cost of brine line rehabilitation.

d. Lifecycle Cost Comparison Requirement:
The Consultant shall prepare a comprehensive lifecycle cost evaluation that includes:

- Capital costs
- O&M costs
- Equipment replacement intervals
- Brine disposal or resin disposal costs
- Brine line mitigation/rehabilitation/upgrade costs (for rechargeable resin)
- Long-term regulatory risk (e.g., PFAS disposal regulations, brine discharge limits)

The FS must clearly identify the most cost-effective and operationally reliable treatment approach when all brine-related costs are accounted for.

Consultant shall summarize all findings, results, conclusions and recommendations.

Consultant will submit 5 copies and a PDF file along with one copy in electronic Microsoft "Word" format for each iteration of the FS.

Funding Alignment and Report Format:

The Feasibility Study (FS) shall be developed in a format consistent with the U.S. Bureau of Reclamation (USBR) Title XVI Water Reclamation and Reuse Program requirements, as outlined in the USBR Feasibility Study Guidelines. The FS shall also be suitable for inclusion in future applications under the USBR WaterSMART PFAS Treatment Grant Program and the State Water Resources Control Board (SWRCB) State Revolving Fund (SRF) programs for PFAS and other emerging contaminant mitigation in drinking water.

The Consultant shall ensure that all supporting analyses, cost estimates, alternative evaluations, and benefit–cost documentation meet the minimum technical standards of these programs, enabling the City to use the completed study for future federal and state funding submittals without substantial revision.

Task 1.10 Preliminary Design Report (PDR) & Workshop

Anticipate a City review for both the draft and final PDR. The Consultant will hold one 4-hour workshop for the initial submittal of the Draft PDR to walk through the updated findings of the City selected recommendation from the Feasibility Study. Consultant will prepare an agenda for OMUC's review prior to the meeting. Consultant will draft meeting minutes with action items to be distributed within five working days following the meetings. Consultant will hold one additional workshop prior to finalizing the PDR.

At a minimum, the PDR shall include the following:

1. Updates to all the documents from the Feasibility Study Phase as needed
2. Preliminary site layout
3. Preliminary connection detail
4. Preliminary drawing list
5. Preliminary Specifications, Table of Contents
6. Construction scheduling requirements to be included in the construction documents
7. Project schedule including design, bidding, and construction activities
8. Coordination with CDA and other agencies
9. Update to the opinion of probable construction cost analysis
10. Coordination with CDA, and other agencies
11. The City welcomes Consultant input regarding the potential benefits and feasibility of Design-Build delivery for future phases.
12. Provide updated cost analysis and design recommendations that incorporate the results of the brine line condition assessment, including any required rehabilitation, cleaning, or replacement, and refine the resin-type selection based on updated brine line capacity and lifecycle cost impacts.

Consultant shall summarize all findings, results, conclusion and recommendations.

Consultant will submit 5 copies and a PDF file along with one copy in electronic Microsoft "Word" format for each iteration of the PDR.

TASK 2 - CEQA COMPLIANCE

Consultant shall provide planning-level CEQA services to determine the CEQA pathway and list the documents and technical studies required to implement that pathway. Consultant will not prepare, model, file, or publish any CEQA documents or technical studies under this task.

TASK 3 – ADDITIONAL OPTIONAL SERVICES

Consultant is encouraged in its proposals to identify any additional work that is not specified in this Scope of Work that would be, in its opinion, necessary to complete the project as defined herein. Consultant may propose additional services that in its opinion will improve the efficiency and quality of the project. If identified, the additional work or services must be included in the proposal as optional services in the Consultant's Fee Schedule. Any optional services proposed will only be completed with written approval by OMUC.

Attachment -1:

Site Map

Attachment -1:

Site Map



(BB&K 2020)

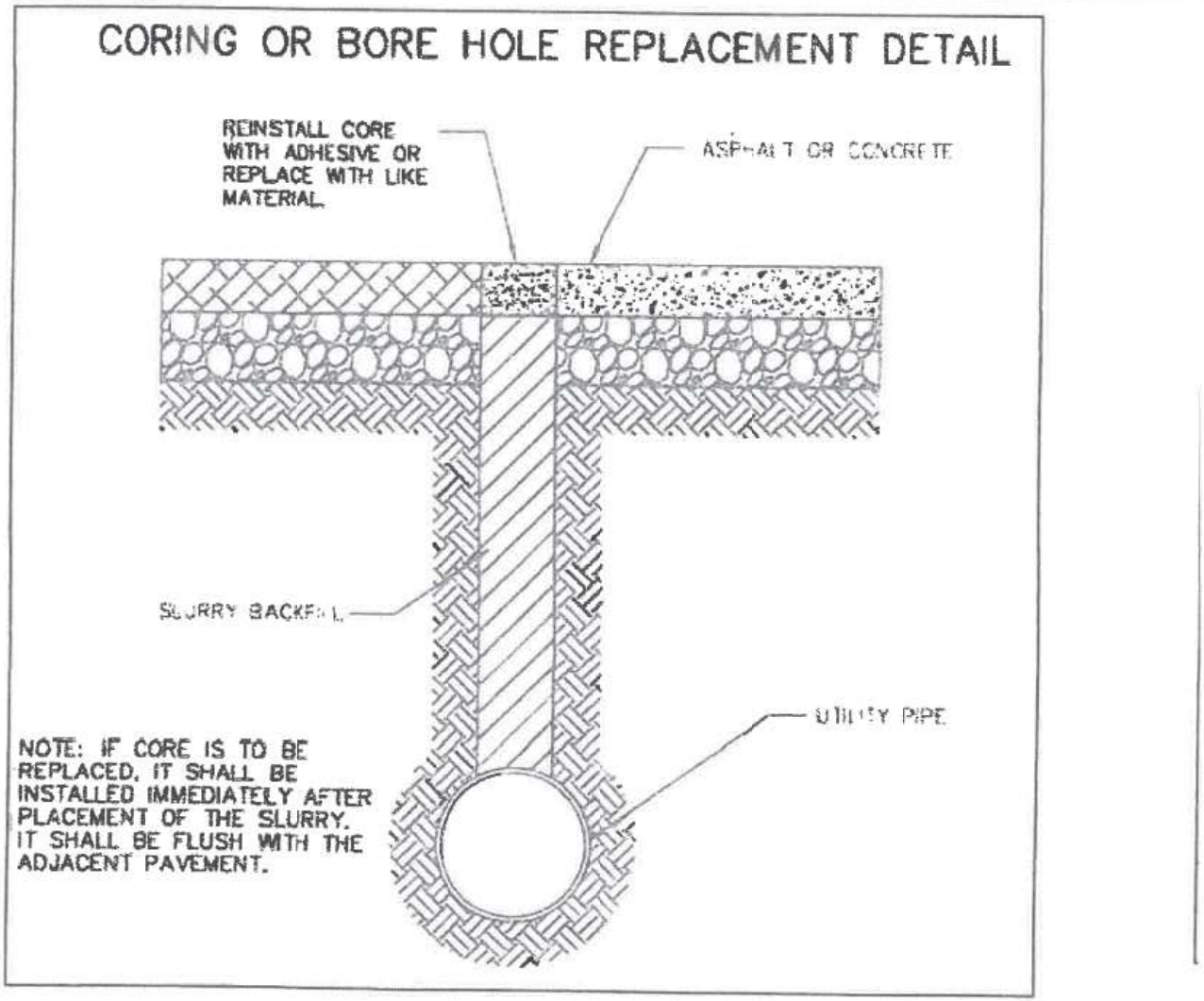
Attachment -2:

Pothole Repair Detail

Attachment -2:

Pothole Repair Detail

PAVEMENT CORES OR SOIL BORINGS SHALL BE RESTORED PER THE DETAIL AND SPECIFICATIONS BELOW



PROFESSIONAL ENGINEERING SERVICES PROPOSAL FOR

JOHN GALVIN PARK WATER TREATMENT PLANT UPGRADES

(UT1089)





PREPARED FOR:

City of Ontario
City Clerk
303 East "B" Street
Ontario, CA 91764-4196

PREPARED BY:

PACE
Advanced Water Engineering

17520 Newhope Street, Suite 200
Fountain Valley, CA 92708
714.481.7300 | www.pacewater.com

C610 | JANUARY 30, 2026

PACE
Advanced Water Engineering

January 30, 2026

City of Ontario
303 East "B" Street
Ontario, CA 91764-4196

Re: **Professional Engineering Services Proposal for John Galvin Park Water Treatment Plant Upgrades** (UT1089)



To Whom It May Concern,

PACE is pleased to submit our proposal for design services for the John Galvin Park Water Treatment Plant Upgrades Project (UT1089). Attached please find our complete proposal, including our qualifications and fee proposal.

We appreciate the opportunity to serve the City of Ontario and look forward to the successful delivery of this project. I am authorized to execute legal documents on behalf of PACE, and our team agrees to provide services in accordance with the Request for Proposal (RFP) and to be bound by its terms and conditions. Please feel free to contact me if you have any questions or require additional information.

Sincerely,



Duncan S. Lee, PE
Principal, QA/QC Manager - Utilities Division

mobile: (714) 553-6967 *office: (714) 481-0662* *e-mail: dlee@pacewater.com*
17520 Newhope Street, Suite 200 - Fountain Valley, CA 92708

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

PROJECT UNDERSTANDING

The City of Ontario ("City"), through the Ontario Municipal Utilities Company ("OMUC") is requesting proposals ("RFP") from qualified firms for Design Services for John Galvin Park Water Treatment Plant Upgrades (UT1089) ("Project"). The first major Project deliverable will be a Feasibility Study (FS) to first evaluate a number of potential wellhead treatment solutions, then identify the most viable treatment solution to meet the water quality and operational requirements. After the OMUC has selected a specific recommended treatment solution with a preliminary site layout, the next deliverable will be a comprehensive Preliminary Design Report (PDR) of the selected option, including various tentative requirements from early coordination and discussion with potential stakeholders and regulators.



PROJECT OBJECTIVES

The objective of this study is to identify treatment solutions that reliably achieve regulatory compliance while supporting efficient, sustainable, and flexible operation of the City's well facilities. The feasibility study will focus on practical solutions that balance treatment performance, residuals management, energy use, and operational simplicity.

Key project objectives include:

- Identify effective and permittable treatment approaches to address current and anticipated water quality compliance requirements.
- Quantify and, where feasible, minimize brine and waste generation to align with existing disposal and brine line constraints.
- Evaluate impacts of treatment alternatives on power requirements, including effects on well pump discharge head and energy consumption.
- Prioritize treatment solutions that are operationally simple, reliable, and compatible with the City's existing facilities and staffing.

PRELIMINARY OBSERVATIONS AND APPROACHES

Some of our preliminary observations and approaches, which are also further addressed in our proposal for your consideration, include:

- **Engage Recreation & Parks Commission:** While the RFP listed a number of key potential stakeholders and regulatory agencies for preliminary coordination to determine requirements, such as Southern California Edison (SCE), Division of Drinking Water (DDW), Chino Basin Desalter Authority (CDA), Inland Empire Utilities Agency (IEUA), and Los Angeles County Sanitation Districts (LACSD), PACE recommends additional optional engineering and architectural efforts to also coordinate with the City's Recreation & Parks Commission since the Project will potential impact John Galvin Park and the programs defined in the Recreation & Parks Master Plan.
- **Pursue CEQA Exemption:** Since this park site has numerous existing water infrastructure components, from multiple storage reservoirs, two (2) wells, a pump station, an abandoned treatment plant, and an active treatment plant with pressure vessels, the City's Planning Department will likely support the use and reference of CEQA Exemptions for CEQA compliance for future improvements. Additionally, it is a customary practice to include a bird nesting study on file for a project located in a park with numerous mature trees.
- **Treatment solutions should be evaluated holistically, not by contaminant alone.** Treatment feasibility will be driven not only by contaminant removal performance, but also by operability, residuals management, and the ability to reliably operate both wells simultaneously. In particular, brine line capacity and integration with existing infrastructure will be key factors influencing viable treatment alternatives. PACE's approach focuses on evaluating treatment solutions as integrated systems rather than isolated unit processes.
- **Residuals and brine management are likely to be a primary constraint.** Based on the City's emphasis on the existing brine line, preliminary observations suggest that residuals management may be a limiting factor for regenerable treatment technologies. PACE's evaluation will quantify brine and waste streams early in the feasibility study and incorporate these impacts directly into alternative screening and lifecycle cost comparisons. This approach allows the City to understand not only what technologies work, but which are practical and sustainable given existing disposal constraints.

PROPOSED METHODOLOGY

PACE will perform a structured feasibility evaluation that integrates regulatory requirements, treatment performance, operational constraints, and lifecycle cost considerations to identify practical and defensible treatment solutions for the City's wells. The approach emphasizes early identification of system constraints and focused evaluation of alternatives that support reliable operation and long-term compliance.

The proposed methodology includes:

1. Confirm regulatory requirements, compliance points, and monitoring obligations for current and anticipated contaminants.
2. Review and validate water quality, well performance, infrastructure, brine line, and controls/SCADA information.
3. Screen and develop treatment alternatives using DDW-recognized Best Available Technologies.
4. Evaluate treatment performance, disinfection contact time, hydraulic impacts, and residuals generation.
5. Assess lifecycle costs, operational complexity, and flexibility to accommodate future regulatory.
6. Compare alternatives using a structured, multi-criteria framework and recommend a preferred approach.
7. Prepare a Preliminary Design Report (PDR) based on the recommended treatment approach to support future design, permitting, and funding efforts.

PROJECT TEAM

As a highly specialized water engineering company, PACE proposes to support the City and the OMUC by developing a thoughtful evaluation and design approach that can meet the Project objectives, minimize and/or avoid taking more park land for water treatment, minimize liabilities to stakeholders, evaluate alternatives at a high-level master planning perspective, reduce impacts and costs, provide the greatest level of operational flexibility, address challenges, and consider future improvement projects.

Our anticipated subconsultants for this Project are:

Ninyo & Moore
A SOCOTEC COMPANY
Geotechnical

HUITT ZOLLARS
Topographic Survey

BESS
UTILITY SOLUTIONS
Potholing

As Project Manager for this effort, I offer the OMUC the benefit of a combined 30 years of municipal and public agency experience, including most recently 17 years as the Principal Civil Engineer for the City of Huntington Beach. My technical expertise includes municipal engineering for water, wastewater, and recycled water infrastructure in design and project management roles. Since joining PACE over 7 years ago, I have utilized my understanding of the typical municipal process to service municipalities like the City. This lets me put myself in your shoes as I direct our consultant team to best meet your needs.

Jacob Peterson (Engineering Manager) brings over two decades of civil and environmental engineering experience, beginning in 2004. Jacob's experience includes advanced potable water treatment processes, specializing in emerging contaminant treatment, as well as complex mechanical/pumping systems, project management, regulatory compliance, PS&E development, bench-scale pilot testing, cost estimating, construction oversight and operations start-up and long-term support. He is highly skilled in coordinating project plans, specifications, and reports with multiple consultants to deliver efficient, constructible, and operable systems.

Victoria Whitener has more than ten years of consulting, experimental, and research experience addressing a wide range of water quality challenges within the water and wastewater industries. She leverages her strong engineering research background to deliver high-quality technical insight and innovative solutions to engineering design projects. Dr. Whitener excels at analyzing complex water quality issues and clearly communicating technical concepts to clients in an engaging and accessible manner. Her expertise includes the evaluation and pilot testing of water treatment systems to quantify the removal of constituents of concern, including metals, volatile organic compounds (VOCs), and per- and polyfluoroalkyl substances (PFAS). She has collaborated extensively with engineering professionals to develop and implement novel treatment solutions tailored to complex project needs.

EXPERIENCE AND TECHNICAL COMPETENCE

PACE offers a team of licensed civil engineers, advanced PhD water quality research specialists, electrical engineers and instrumentation and controls specialists who cohesively develop custom treatment solutions best suited for project sites. Together, our team offers several key qualifications:

01

Current PFAS Treatment and Design Experience

PACE is currently serving as an on-call consultant to Orange County Water District to design wellhead PFAS treatment systems to augment existing facilities for six wells, and is performing evaluation, master planning and design for the City of Vernon's seven wells.

02

Lessons Learned to Optimize Design

Lessons learned from numerous recent GAC, ion exchange and Greensand filtration projects ensures well-functioning components, setup, and valve controls.

03

Wear "the City's Hat" with Project Manager that is Former Principal City Engineer

Duncan Lee, PE, the team's Project Manager, will impart his in-depth understanding of municipal facilities and challenges to seamlessly integrate the team to serve as an extension of City staff.

04

In-house Piloting and Water Quality Analysis Capabilities

Significant experience with piloting and bench-scale testing of treatment systems provides process optimization opportunities.

05

Proven Approach to Guarantee Cost and Performance of Key Equipment

Performance-based specifications for vessels, valves and controls improves project schedule, reduces costs, maximizes performance guarantees and increases equipment quality.

06

Operated Numerous Wellhead Systems

PACE has over a decade of experience operating wellhead treatment systems, including oxidant dosing control, backwash, media replacement and expansions.

07

Constructability and Operability Background Ensures Buildable and Low-Cost Reliable Operation

Background in design-bid-build, design-build, CMAR, construction and operations of treatment facilities to provide a unique insight into project designs to improve constructability and minimize construction cost and long-term maintenance costs.

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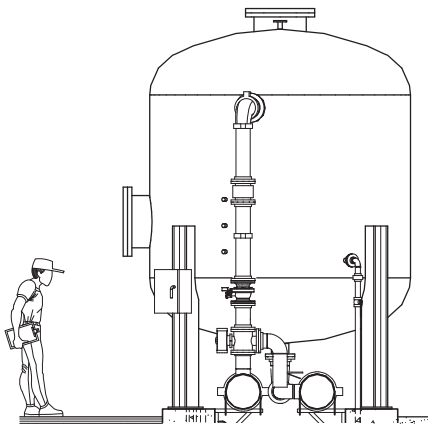
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IDENTIFICATION OF PROPOSER



IDENTIFICATION OF PROPOSER

Legal Name and Address of Company
17250 Newhope Street, Ste 200
Fountain Valley, CA 92078

Legal form of Company
Corporation, no parent Company

City Business License Number
City of Fountain Valley
License #0996602

Primary Contact
Duncan Lee, PE
Principal, QA/QC Manager - Utilities Division
17250 Newhope Street, Ste 200
Fountain Valley, CA 92078
(714) 553-6967



This proposal has been signed by Duncan Lee, PE, who is authorized to execute legal documents on behalf of PACE.

Duncan S. Lee, PE
Principal, QA/QC Manager - Utilities Division

STAFFING RESOURCES



STAFFING RESOURCES

ORGANIZATION CHART

PACE has assembled a highly skilled team to ensure the successful achievement of the project's objectives. In collaboration with Ninyo & Moore for geotechnical engineering, BESS Testlab for potholing, and Huitt-Zollars for surveying, our team brings the expertise necessary to effectively guide the project. You can have full confidence that both the feasibility study and preliminary design report will be conducted thoroughly and delivered to the city with professionalism and on schedule.





PROJECT MANAGER
Duncan Lee, PE

QA/QC
James Matthews, PE

ENGINEERING MANAGER
Jacob Peterson, PE

PROJECT ENGINEERS
Victoria Whitener, PhD, EIT
Matthew Mills, PE

SR. ELECTRICAL ENGINEER
Bashar Ishaq, MBA, PE, PMP

SR. INSTRUMENTATION & CONTROLS SPECIALIST
Ernesto Camerena

GEOTECHNICAL
Michael Putt, PG, CEG [1]

SURVEY
Michael Kremer, PLS [2]
David Mackey, PLS [2]

POTHOLING
Michael Horne [3]

subconsultants
1. Ninyo & Moore
2. Huitt-Zollars
3. BESS

KEY PERSONNEL BIOGRAPHIES

The PACE team will be led by ***three key professionals*** who are committed to the project for its full duration and will not be replaced without prior approval from the City.



Duncan Lee, PE, will serve as Project Manager. Mr. Lee brings over 30 years of experience working with municipalities and public agencies, with extensive expertise in the design and project management of water, wastewater, and recycled water infrastructure.



Jacob Peterson, PE, will serve as Engineering Manager. Mr. Peterson's experience includes the advanced potable water treatment processes, specializing in emerging contaminant treatment, as well as complex mechanical/pumping systems, project management, regulatory compliance, PS&E development, bench-scale pilot testing, cost estimating, construction oversight and operations start-up and long-term support.



Victoria Whitener, PhD, EIT, will serve as Senior Project Engineer. She has more than ten years of consulting, experimental, and research experience addressing a broad range of water quality challenges within the water and wastewater industries. Dr. Whitener leverages her strong engineering research background to provide high-quality technical insight and innovative solutions for engineering design projects.

SUBCONSULTANTS



Ninyo & Moore
A SOCOTEC COMPANY

GEOTECHNICAL– Ninyo & Moore is a multidisciplinary consulting firm that provides high-quality geotechnical and environmental consulting services. The firm was established in 1986 to provide consulting services in geotechnical engineering, construction inspection and testing, engineering geology, hydrogeology, hazardous waste remediation and environmental assessment. They are committed to being responsive, thorough, technically sound, and active in the business community. Ninyo & Moore serves its clients through 16 offices in California, Arizona, Nevada, Colorado, Utah, and Texas.



HZ HUITT ZOLLARS

SURVEY – Huitt-Zollars, Inc. is a full-service engineering and surveying firm with 24 offices throughout the U.S. Founded in October 1975, Huitt-Zollars has a staff of 580 professionals, technical and support personnel with diversified skills, capable of handling highly complex multi-discipline assignments. Huitt-Zollars is consistently ranked as a top design firm by Engineering News-Record and Architectural Record.



BESS
UTILITY SOLUTIONS

POTHOLING – BESS is a certified UNION Underground Utility Service Company established in 1995 as a privately owned C-Corporation. BESS provides a complete range of underground utility designation and utility mapping services to both private and public companies throughout California, Nevada, and Arizona. BESS is committed to providing quality service that exceeds its clients' needs and expectations using the most advanced technologies available.



project manager

Duncan Lee, PE

EDUCATION
BS Civil Engineering California State University, Long Beach - 1985

LICENSE/REGISTRATIONS
Professional Engineer / CA – 44825

With 30 years of municipal experience, including 17 years as Principal Civil Engineer for the City of Huntington Beach, Duncan Lee specializes in the design and management of municipal water, sewer, and recycled water infrastructure. His work spans capital improvements, master planning, construction management, and asset planning for coastal California cities, with a proven ability to unite engineering, operations, maintenance, and consultants.

RELATED EXPERIENCE

City of Vernon Source Water Quality Assessment and Treatment Design – Vernon, CA
PACE evaluated the City's seven groundwater wells and designed treatment systems for iron, manganese, and PFAS. As Project Manager, Mr. Lee is leading a Master Plan to define feasible, standardized treatment approaches that ensure regulatory compliance and long-term water reliability, supported by pilot testing and evaluation of emerging PFAS media.

Orange County Water District / Golden State Water Company PFAS Well Treatment – Orange County, CA
Mr. Lee is the Project Manager for the design of treatment systems for six Golden State Water Company wells in Stanton, Garden Grove, and Placentia. The systems treat flows of 400 to 3,500 gpm using filtration and ion exchange based on an OCWD pilot study, and include feasibility studies for pump-to-waste drain connections.

City of Riverside Garner B Well PFOA/PFOS Treatment Pilot Testing – Riverside, CA
Mr. Lee served as Project Manager for a condition assessment to evaluate rehabilitating an out-of-service GAC system as a full-scale PFOA/PFOS treatment pilot. After confirming feasibility, PACE developed plans to reactivate the system, including media flexibility and replacement of key components.

City of Huntington Beach Well 9 GAC Treatment System – Huntington Beach, CA
Mr. Lee served as City Principal Engineer for the design of a 3,000 gpm (4.3 MGD) GAC treatment facility, overseeing testing, piloting, engineering, and startup support to validate biological treatment at Well 9 and other City wells.

City of Seal Beach Lampson Wellhead Treatment and Sewer Siphon – Seal Beach, CA
The Lampson Water Well (4,000 gpm) was underused due to high H_2S. As Project Manager, Mr. Lee designed a BAC system with four 12-foot vessels to remove H_2S, cut chlorine use, and allow future PFAS treatment. PACE also added an inverted sewer siphon and 100 ft of pipeline to handle backwash wastewater.

Sweetwater Authority Iron and Manganese Well Treatment System – National City, CA
Sweetwater Authority targeted iron- and manganese-caused color in National City's drinking water. Mr. Lee oversaw a 3-month pilot of five treatment trains; the "Greensand Plus" system reduced contaminants below 5 ppb and removed 0.45-µm particles, limiting system buildup. The design includes backwash recovery, a new booster pump skid, on-site analyzers, and permitting support from PACE.

City of Huntington Beach Replacement of Well 1 with Well 1A – Huntington Beach, CA
Led by Mr. Lee, this Huntington Beach well replacement improved reliability, blended with the neighborhood, houses equipment indoors, produces 2,500 gpm, has backup propane power, and includes chlorine and fluoride treatment in contained storage.

City of Huntington Beach New Well 12 – Huntington Beach, CA
Led by Mr. Lee for the City of Huntington Beach, this water well on Boeing-leased commercial land features removable walls for maintenance. It can pump 3,000 gpm with a 300-hp motor and optional variable speed. No backup equipment was included. Chlorine and fluoride are added at the wellhead, with chemicals stored in ventilated, double-walled containment rooms.



engineering manager

Jacob Peterson, PE

EDUCATION
BS Civil Engineering, California Polytechnic University, San Luis Obispo – 2008

LICENSE/REGISTRATIONS
Professional Engineer / CA 79146
Certified Water Efficiency Professional / 128195 (inactive)

PUBLICATIONS
Peterson, J.D., Murphy, R.R., Jin, Y., Wang, L., Nessl, M.B., Ikehata, K. (2011) Health effects associated with wastewater treatment, reuse, and disposal. Water Environment Research 83:10, 1853-1875.

Jacob Peterson has 20+ years in civil and environmental engineering, specializing in water treatment, distribution, and pump systems. He designs cost-effective civil and mechanical solutions, oversees construction, and supports operations for complex water systems. He is experienced with GAC/BAC, ion exchange, reverse osmosis, and other groundwater treatment technologies, including pilot testing and process optimization.

RELATED EXPERIENCE

City of Vernon Source Water Quality Assessment and Treatment Design – Vernon, CA
Mr. Peterson is serving as Sr. Project Engineer to assess water quality at the City's seven active wells and design treatment systems to reduce manganese, iron, and PFAS. PACE will also create a Master Plan to identify the most effective treatment options and guide future designs for all wells.

Orange County Water District / Golden State Water Company PFAS Well Treatment – Orange County, CA
Mr. Peterson is Sr. Project Engineer for six Golden State Water well sites (up to eight wells). The pressure vessel system, treating 400–3,500 gpm with bag filters and ion exchange, follows OCWD's pilot study. Designs meet treatment goals with alternative concepts for stakeholders. PACE will also study two private pump-to-waste connections to the public storm drain.

City of Riverside Garner B Well PFOA/PFOS Treatment Pilot Testing – Riverside, CA
Mr. Peterson assessed the GAC treatment system for PFOA/PFOS pilot use, evaluated cost-saving treatment alternatives, and oversaw plans and modifications to reactivate the system, including media options and component replacements.

California-American Water Company Hexavalent Chromium Removal – Los Angeles County, CA
Mr. Peterson is managing a project to install SBA exchange systems and upgrade pumps at six California-American Water wells in East Pasadena and San Marino to remove hexavalent chromium exceeding the new MCL.

City of Seal Beach Lampson Well Treatment and Sewer Siphon – Seal Beach, CA
The Lampson Water Well (4,000 gpm) was underutilized due to high H2S levels. Mr. Peterson led pilot studies using GAC, refining the process to select BAC. The final design removes odors, reduces chlorine, uses four 12-ft steel vessels, and allows future PFAS treatment. PACE also designed a 6-inch, 100-ft pipeline and inverted sewer siphon for backwash discharge.

City of Santa Monica Sustainable Water Infrastructure Project (SWIP) Advanced Water Recycling Facility – Santa Monica, CA
Mr. Peterson was Sr. Project Engineer for Santa Monica's AWTF, a fully underground facility producing 1.0 MGD of purified water from wastewater and stormwater using a five-barrier treatment process to meet California Title 22 reuse standards.

Sweetwater Authority Iron and Manganese Well Treatment System – National City, CA
Sweetwater Authority sought to remove iron- and manganese-caused color from National City's water. As Sr. Project Engineer, Mr. Peterson led a 3-month pilot using five treatment trains; the "Greensand Plus" system reduced contaminants below 5 ppb and removed 0.45 µm iron particles. The design includes backwash recovery, a booster pump skid, on-site analyzers, and PACE-assisted permitting.

Water Treatment Facility for Iron and Manganese Removal – Lakeside, CA
As Sr. Project Engineer, Mr. Peterson designed a 500 gpm groundwater treatment facility that removes iron, manganese, and uranium to meet EPA standards, using filtration and ion exchange systems without complex chemicals. The compact design reduced costs, and PACE continues to provide testing and operational oversight.



project engineer

Victoria Whitener, PhD, EIT

Victoria Whitener brings 10 years of consulting, experimental, and research experience in water and wastewater quality. She leverages her engineering research expertise to deliver clear, innovative solutions for complex water quality challenges. Dr. Whitener specializes in evaluating and pilot-testing treatment systems to remove contaminants like metals, VOCs, and PFAS, collaborating with engineers to develop effective, novel solutions.

EDUCATION

PhD Civil Engineering, University of California, Los Angeles – 2020

MS Civil Engineering, University of California, Los Angeles – 2015

BS Civil Engineering, University of California, Los Angeles – 2014

LICENSE/REGISTRATIONS

Engineer in Training / CA

NCEES ID 15-615-42

PROCEEDINGS & PUBLICATIONS

Pilot Testing of PFAS Removal from a High TOC Surface Water. AWWA Water Quality Technology Conference, Dallas, TX. 2022

Antibiotic Resistance Genes in Reclaimed Water for Irrigation in the Maneadero Valley, Mexico. American Chemical Society National Meeting, San Diego, CA. 2019.

A Comparative Analysis of the Fate of Antibiotic Resistance Genes in Parallel Secondary Wastewater Treatment Systems. Water Microbiology Conference, Chapel Hill, NC. 2019.

Multi-Tiered Approach Utilizing Microbial Source Tracking and Human Associated-IMS/ATP for Surveillance of Human Fecal Contamination in Baja CA, Mexico. Science of the Total Environment. 2018

RELATED EXPERIENCE

California-American Water Company Hexavalent Chromium Removal – Los Angeles County, CA

Dr. Whitener is serving as Project Engineer to design a hexavalent chromium removal system for six California-American Water Company wells in East Pasadena and San Marino, all exceeding the new MCL. Four new strong base anion (SBA) exchange facilities will be built to treat the water, and existing well pumps will be upgraded to ensure adequate capacity through the SBA systems.

Santa Monica Sustainable Water Infrastructure Project (SWIP) Advanced Water Treatment Facility (AWTF) – Santa Monica, CA

PACE designed Santa Monica's AWTF, producing 1.0 MGD of purified water from wastewater and stormwater while meeting Title 22 pathogen standards. Dr. Whitener helped troubleshoot the remineralization system to ensure water quality. The five-barrier process—MBR, cartridge filtration, RO, UVAOP, and chlorine—achieves pathogen credits through optimized design.

California-American Water Company Hexavalent Chromium Removal – Los Angeles County, CA

Dr. Whitener is the Project Engineer designing a hexavalent chromium removal system for six California-American Water Company wells in East Pasadena and San Marino, all exceeding the new MCL. New strong base anion (SBA) exchange facilities will be installed at four sites, and existing well pumps will be upgraded to ensure adequate capacity.

Kalaeloa Seawater Desalination Facility – Kapolei, HI

Dr. Whitener is the Design Engineer for the Kalaeloa Desalco seawater desalination facility near Barber's Point, Oahu, HI. PACE, as Engineer of Record, oversees process design, wells, SWRO, chemical handling, filtration, water treatment, storage, delivery, electrical, controls, and SCADA. The facility will produce 1.7 MGD, expandable to 5.1 MGD. He also helped develop a post-treatment pilot system to ensure water quality and corrosion protection.

Sarival Water Reclamation Facility (WRF) – Goodyear, AZ

The Sarival WRF treats 4.0 MGD (avg), 6.0 MGD (max day), and 10.0 MGD (peak) using MBR and chlorination to meet ADEQ Class A+ reuse standards. It features advanced headworks, CLR secondary treatment, four membrane trains, disinfection, and effluent pumping. Effluent goes to the Liberty Aquifer or a local irrigation canal. Dr. Whitener wrote the O&M Manual and startup sampling plan.

Pilot Testing of PFAS Removal from Surface Water – Lake Elsinore, CA

Dr. Whitener led pilot-scale testing of Lake Elsinore at Canyon Lake WTP to evaluate PFAS removal, overseeing use of granular activated carbon, ion-exchange resin, and a specialty adsorbent, managing the testing program, and co-authoring the final report with technical recommendations for EVMWD.

Rapid Small-Scale Column Testing – Los Angeles County, CA

Dr. Whitener applied RSST as a bench-scale method to predict adsorbent replacement at full-scale treatment plants. Projects included RSSCT studies for Fluorosorb media (Santa Clarita) and GAC (LACSD and Cal Water) for PFAS removal, with data analysis determining equivalent bed volumes before contaminant breakthrough.

EXPERIENCE & TECHNICAL COMPETENCE



EXPERIENCE & TECHNICAL COMPETENCE

ABOUT PACE

Incorporated Year **1987** /
State of **California**

Firm Type
Environmental / Civil Engineering

100 Employees (approx.) Firm



Pacific Advanced Civil Engineering, Inc. (PACE) is a specialized civil engineering firm headquartered in Fountain Valley, CA, dedicated to providing advanced water engineering solutions. We offer a wide range of engineering services related to water, wastewater, and stormwater management and water resource permitting and regulatory compliance to ensure projects are both economically viable and environmentally sustainable. Our engineering approach focuses on maximizing value by creating multi-use infrastructure systems, cost-effective phasing strategies, and systems that include environmental, aesthetic, and recreational uses. PACE staff members include licensed professional engineers with PhDs, university instructors, and policymakers in the water resources arena.

Our clients benefit from our experience with advanced water operations consulting, laboratory testing, pilot testing, and treatment facility design. PACE has successfully completed a variety of wellhead treatment and water quality improvement projects, including colored water treatment, corrosion and scaling control, taste and odor control, hydrogen sulfide removal, and removal of trace contaminants such as iron, manganese, arsenic, uranium, and fluoride. Our background has led us to emphasize compatibility, constructability, costs, and long-term ease of operations for treatment systems and operational improvements.

With nearly 40 years of experience, PACE is highly qualified in many areas of water infrastructure and water quality engineering. Our potable water expertise includes, but is not limited to, the following:

- Field evaluations, including on-site water quality monitoring, process improvement, systems troubleshooting, and general operational assistance
- Field and in-house water analysis and bench- and pilot-scale testing capabilities
- Source water and finished water quality management and improvement
- Surface and groundwater treatment system design, construction, and operation
- Water distribution (pipeline and pump station) design and operation
- Advanced knowledge of challenging water chemistry, microbiology, and hydraulics
- Disinfection byproducts control and contaminant removal
- Color, taste, and odor control



Current PFAS Treatment Experience to Support Project Objectives

PACE, using our in-house water quality laboratory and staff, have piloted a multitude of PFAS/PFOS and other groundwater treatment technologies; including Ion Exchange, Activated Carbon and Engineered Proprietary Medias, as well as development of our own biological filtration process for specific contaminate removal in groundwater. In addition, PACE is currently performing design for PFAS treatment systems on six GSWC wells through Orange County Water District's program.

◀ *A recent deployment of PACE's in-house piloting equipment tested various alternatives for a series of groundwater wells, guiding the final design of the most efficient treatment alternative.*

PROJECT MANAGEMENT APPROACH

PACE will provide a cohesive team of engineers and subconsultants with extensive experience to tackle the City's project objectives. PACE will meet challenges head-on by working with the Project Manager and constantly collaborating with the City.

The Project Manager coordinates all planning and design work with all subconsultants and staff. Regular meetings or teleconferences will be held with applicable Project Team members and consultants to coordinates engineering study and/or design issues. Meeting minutes will be kept and retained in project files.

Client Coordination

The Project Manager (Duncan Lee) will be the project's primary source contact with the City. The Engineering Manager (Jacob Peterson) will be a secondary contact but only in the event that the Project Manager is not available. All correspondence with City, whether incoming or outgoing, will be through the Project Manager. The Project Manager will keep the City informed of the project progress on a bi-weekly basis unless otherwise indicated in the work plan or contract work scope. The bi-weekly progress reports will include at a minimum:

- Schedule status
- Work planned for upcoming month
- Progress to date
- List of issues which may affect schedule or deliverables and proposed resolution approach

In addition to the progress reports, an Action Items Matrix (AIM) will be prepared, updated bi-weekly, and provided to the City. The AIM will identify actions to be accomplished, description of the activity, date for completion, and lead person responsible for ensuring the action is completed.

Subconsultant Management

Agreements with our subconsultants will be followed by detailed task orders delineating the budget, schedule, and scope. These task orders will be monitored for progress and compliance. We will track the resources and the costs against the planned targets to ensure the resources are efficiently employed. Our working history with subconsultants and the skill of our subconsultant team provide the basis for a well-managed project delivery.

Budget Control

Engineering costs will be controlled by frequent monitoring and early identification of any scope/design change affecting project costs. Construction cost estimates will be developed based on the preliminary design effort and using current costs for construction materials and techniques based on our recent/current experience and costing indexes. The estimate will then be compared to the City's budget expectations and if a gap is present, discussions will take place to determine if value engineering or other actions are necessary. Invoicing will follow the City's guidelines established at the start of each project. All invoices are reviewed by the Project Manager for accuracy and compliance prior to submittal to the City.

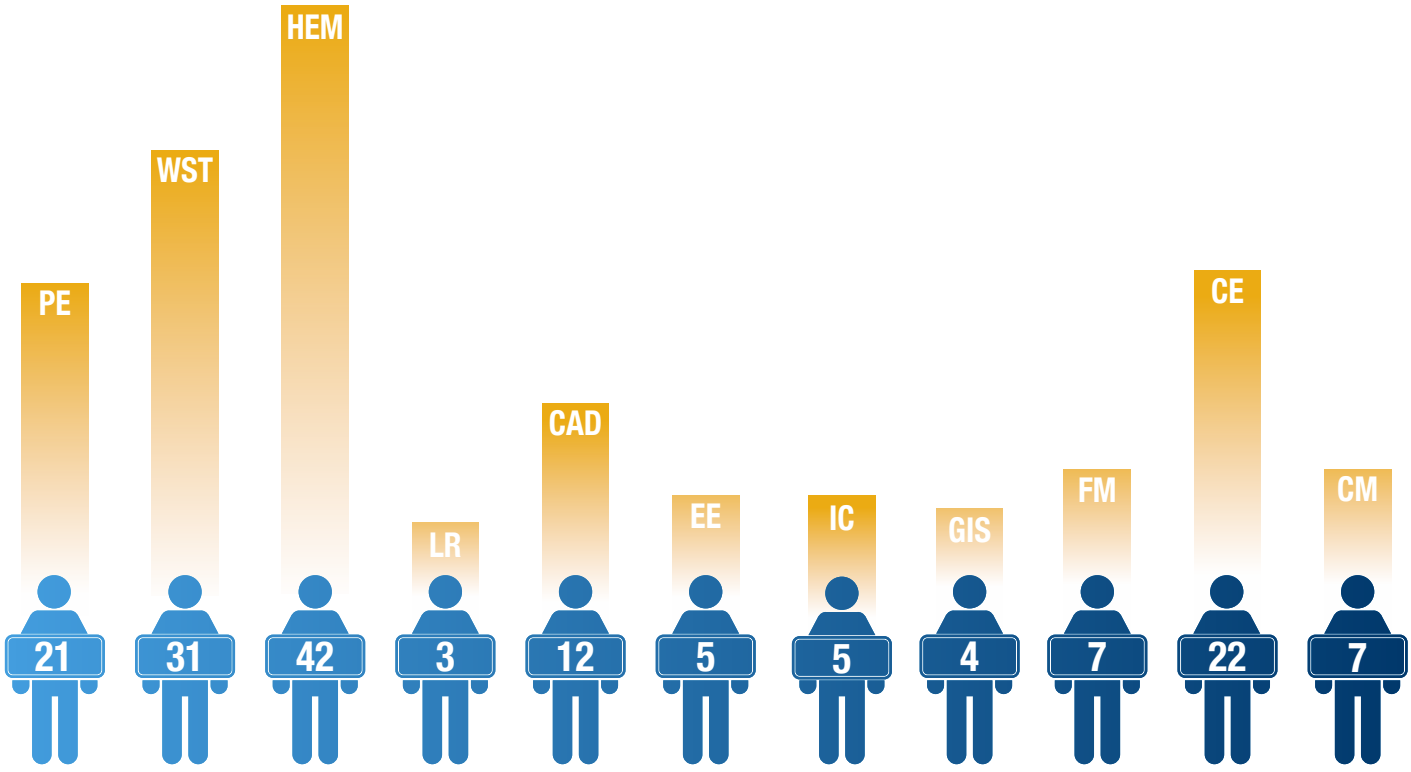
Work Location

All PACE project management efforts will be coordinated out of our headquarters office in Fountain Valley, CA. Regular coordination meetings will occur at the City offices, or using one of the many meeting and coordination resources we have available such as Teams or Zoom (video conferencing), which allow us to minimize budget for travel and meetings. However, in-person meetings will be encouraged at critical project durations (kick-off, conclusion of conceptual design, final design submittals, public outreach / agency coordination meetings, etc.).

Project Scheduling

PACE will use the MS Project scheduling system to continuously monitor project costs, labor, and progress. We will develop a conceptual milestone schedule based upon anticipated needs of the project and major task items. With each monthly progress report, PACE will submit an updated 4-week horizon schedule reflecting planned work. PACE will promptly notify the City of any changes in anticipated project progress and will submit an update detailed project schedule to City staff.

TECHNICAL COMPETENCE



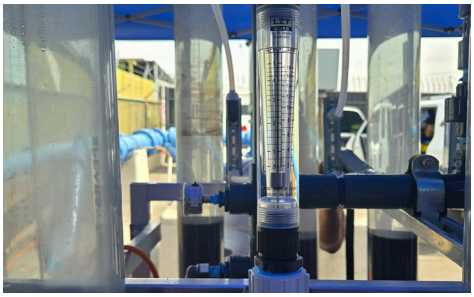
PE Professional Engineer (21)
WST Water/Sanitary Treatment/Infrastructure Engineer (31)
HEM Hydraulic Engineer/Modeler (42)
LR Laboratory Researcher (3)
CAD Computer Aided Drafting (12)
EE Electrical Engineer (5)
IC Instrumentation & Controls (5)
GIS Geographic Information Systems (4)
FM Field Monitoring (7)
CE Construction Estimator (22)
CM Construction Management (4)

PACE is highly specialized in water resources engineering and, as such, is comprised of dedicated specialists in water treatment, storage, and conveyance. Our specialists include not only licensed professional civil engineers, but also PhDs highly specialized in emerging contaminant treatment mechanisms and efficiencies, mechanical engineers, electrical engineers, instrumentation and controls specialists, construction specialists, and even licensed water treatment operators. This in-house range of expertise allows us to offer advanced resources from start to finish on projects.

Additional highlights of the resources our team offers for this project study and future design include:

- In-house R&D laboratory, facilitating fast-turnaround water quality analysis and bench-scale testing.
- Extensive in-house library of equipment and treatment systems for reference.
- Advanced hydraulic and water treatment calculation and modeling capabilities utilizing MS Excel and modeling software such as WaterGEMS, WaterCAD, BioWin and others.
- Strategic partnerships with construction and operations firms to gain additional access to constructability analysis, current construction costs, and operational perspective.
- Specialized analysis of break-through curves with GAC and selective ion exchange medias to optimize sizing and media selection.
- Long-standing relationships with equipment vendors to provide guidance and recommendations for unique treatment needs.

REFERENCES



City of Vernon Source Water Quality Assessment and Treatment Design Vernon, CA

PACE evaluated water quality at seven groundwater wells to design PFAS wtreatment systems and a Master Plan ensuring regulatory compliance and long-term reliability.

REFERENCE
Joanna Moreno *Civil Engineer*
City of Vernon, 4305 S. Santa Fe Ave. Vernon, CA 90058
(323) 583-8811, jmoreno@ci.vernon.ca.us



Orange County Water District PFAS Well Treatment Orange County, CA

PACE designed wellhead treatment systems for six sites and seven wells, using pre-filtration and ion exchange for perchlorate removal, with pump-to-waste studies and compliant, reliable water supply solutions.

REFERENCE
Laurence Esguerra *Sr. Engineer*
Orange County Water District, 18700 Ward Street, Fountain Valley, CA 92708
(714) 378-3330, lesguerra@ocwd.com



City of Riverside Garner B Well PFOA/PFOS Treatment Pilot Testing Riverside, CA

PACE piloted PFAS removal at Riverside's 1,560 gpm Garner B Well, testing alternative treatments.

REFERENCE
Fernando Romero *Utilities Senior Water Engineer*
City of Riverside, 900 Main Street, Riverside, CA 92522
(951) 826-5443, fromero@riversideca.gov



City of Seal Beach Lampson Wellhead Treatment and Sewer Siphon Seal Beach, CA

PACE upgraded the 4,000 gpm Lampson Well, with a biological activated carbon system. The design removes odors, lowers chlorine use, allows future PFAS treatment, and improves backwash discharge.

REFERENCE
Iris Lee *Public Works Director*
City of Seal Beach, 211 Eighth Street, Seal Beach, CA 90740
(562) 431-2527, ext. 1322, ilee@sealbeachca.gov



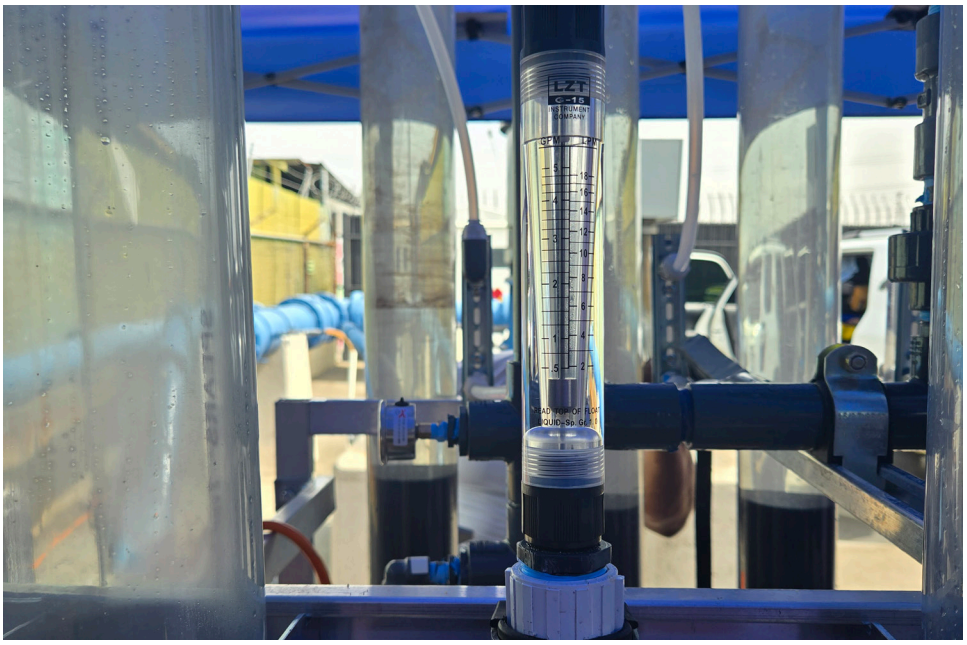
City of Santa Monica Sustainable Water Infrastructure Project (SWIP) Advanced Water Treatment Facility (AWTF) Santa Monica, CA

PACE designed the Advanced Water Treatment Facility (AWTF), treating raw wastewater and stormwater to produce 1.0 MGD of purified water for groundwater augmentation.

REFERENCE
Selim Eren *Civil Engineer*
City of Santa Monica, 1437 4th Street, Suite 300, Santa Monica, CA 90401
(310) 458-8721 ext. 5107; selim.eren@smgov.net

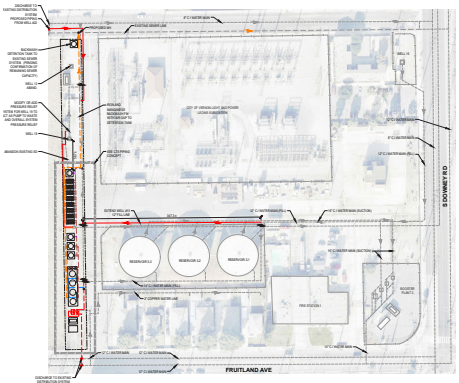
PROJECT SPECIFIC EXPERIENCE

City of Vernon Source Water Quality Assessment and Treatment Design *Vernon, CA*



Relevant Features

- Water quality assessment of seven active water wells
- Manganese, iron, and PFAS treatment system design
- Master Plan concept approach to prioritize the most effective treatment options and streamline future treatment design



The City of Vernon engaged PACE to evaluate water quality concerns at its seven active groundwater wells and design wellhead treatment systems to address elevated levels of iron, manganese, and per- and polyfluoroalkyl substances (PFAS). PACE developed a Master Plan to identify the most effective and feasible treatment strategies, establish a standardized approach for future facilities, and provide the City with a clear roadmap to ensure regulatory compliance and long-term water reliability. The treatment design considers the unique challenge of managing multiple contaminants with different treatment requirements. Iron and manganese removal requires oxidation with free chlorine prior to filtration through Greensand media, while PFAS removal relies on ion exchange resins that are sensitive to free chlorine exposure. To address this, PACE's design incorporates dechlorination steps with provisions for emergency off-spec discharges to protect the PFAS treatment media. In parallel, the team is evaluating the application of novel PFAS treatment media that are resistant to free chlorine but require California Division of Drinking Water (DDW) approval before implementation.

PACE is also conducting pilot testing to confirm the performance of different media for the removal of site-specific contaminants. The pilot program evaluates the free chlorine demand required for effective iron and manganese oxidation, the level of dechlorination needed following the Greensand filters, and the impacts of free chlorine on both the ion exchange and novel medias being piloted. These efforts ensure that the full-scale treatment design is supported by site-specific data, providing confidence in treatment performance and long-term system reliability.

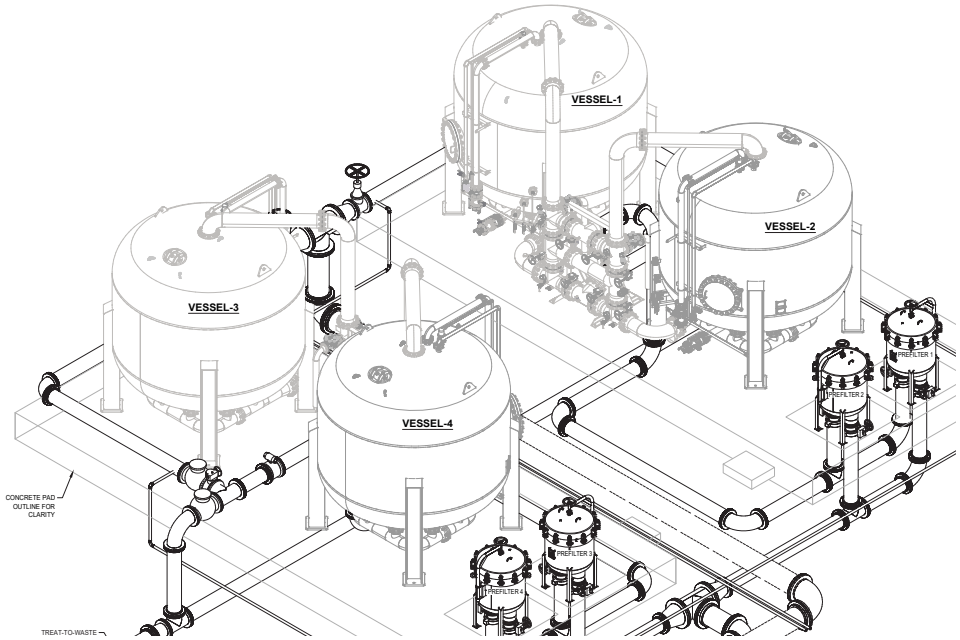
Start/End Date
March 2025 - Ongoing

Key Personnel
Duncan Lee, PE, *Project Manager*
Jacob Peterson, PE, *Engineer of Record*
James Matthews, PE, *QA/QC Principal*

Design Contract Amount $716k

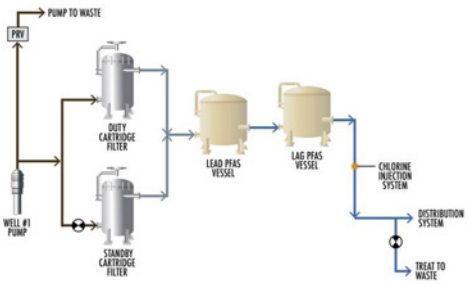
Contract Owner
Joanna Moreno, *Civil Engineer*
City of Vernon
4305 S. Santa Fe Ave. Vernon, CA 90058
(323) 583-8811
jmoreno@ci.vernon.ca.us

Orange County Water District PFAS Well Treatment *Orange County, CA*



Relevant Features

- PFAS treatment at six well sites and seven wells
- Evaluation of alternative concepts
- Pressure vessel treatment flows of between 400 and 3,500 gpm
- Pre-treatment using bag filters, followed by ion exchange (IX) media in steel pressure vessels
- Improvements to existing facilities



The Orange County Water District (OCWD) hired PACE to design wellhead treatment systems for six sites, encompassing seven Golden State Water Company wells located in the Cities of Stanton, Garden Grove, and Placentia. The pressure vessel systems are designed to treat flows ranging from 400 to 3,500 gallons per minute, tailored to each well's production capacity. Building on the findings of an OCWD pilot study, the treatment process includes pre-filtration using bag filters, followed by ion exchange (IX) in steel pressure vessels to achieve the targeted water quality objectives. PACE designed each system in alignment with the pilot study's recommendations while also developing alternative concept layouts to provide flexibility and options for stakeholder review.

PACE also coordinated with the IX media manufacturer to confirm the ability of the selected resin to treat perchlorate, an additional contaminant affecting one of the wells. With this confirmation, the affected well can now be added to production through one of the treatment systems if and when needed, improving overall supply flexibility. In addition to treatment system design, PACE prepared feasibility studies for two private pump-to-waste drain lines with proposed connections to the public storm drain system, ensuring effective and compliant management of waste streams during operations. Through this work, PACE supports OCWD and Golden State Water Company by advancing cost-effective, site-specific solutions that ensure regulatory compliance and improve long-term water supply reliability across the region.

Start/End Date
July 2024 - Ongoing

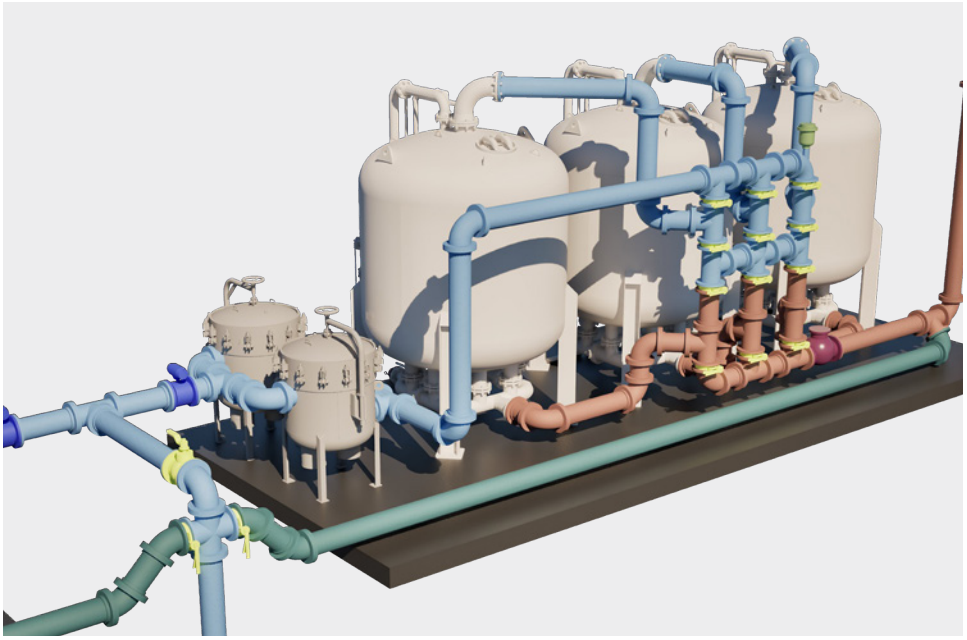
Key Personnel
Duncan Lee, PE, *Project Manager*
Jacob Peterson, PE, *Engineer of Record*

Design Contract Amount $2 million

Contract Owner
Laurence Esguerra, *Sr. Engineer*
Orange County Water District
18700 Ward Street, Fountain Valley, CA 92708
(714) 378-3330
lesguerra@ocwd.com

California-American Water Company Hexavalent Chromium Removal

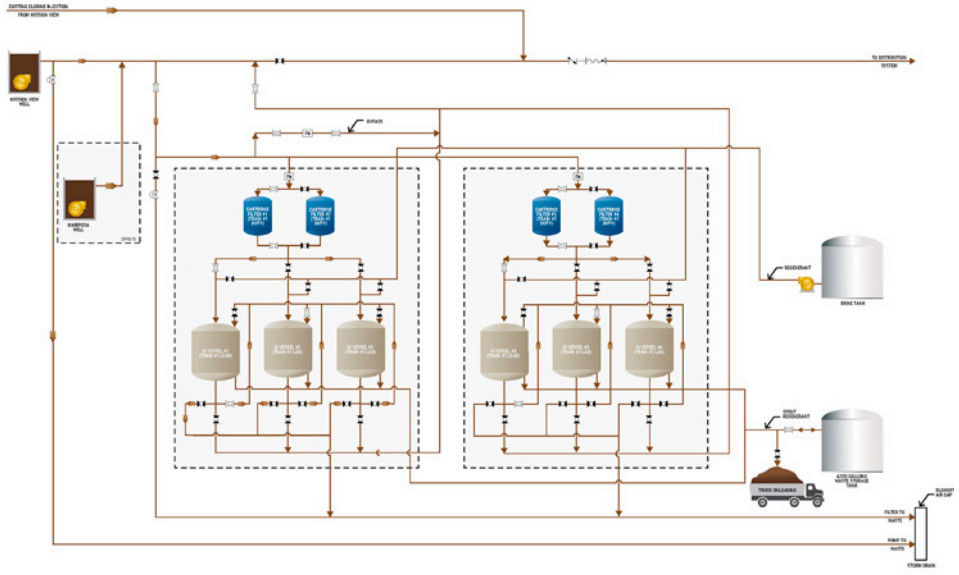
Los Angeles County, CA



Relevant Features

- Design of emerging contaminant removal system for groundwater wells
- Services performed include all structural, process, mechanical, instrumentation and controls, and electrical systems design
- Pump upgrades and well site improvements
- Well capacities between 900 and 1,600 gpm each

PACE is serving as part of the Design-Build team to design a hexavalent chromium removal system for six wells owned and operated by the California-American Water Company. Located in the East Pasadena and San Marino service areas, these wells have all been found to contain hexavalent chromium levels above the recently established Maximum Contaminant Level (MCL). New strong base anion (SBA) exchange resin removal facilities are being designed at four sites to remove hexavalent chromium from the well water, and the existing well pumps will be upgraded to provide sufficient pumping capacity through the SBA exchange system.



Start/End Date
March 2025 - Ongoing

Key Personnel
Jacob Peterson, PE, *Project Manager*

Design Contract Amount $1.6 million

Contract Owner
Blake DePaola, *Southern California VP of Operations*
Covenant Technical Solutions
668 Glen Road, Danville, CA 94526
(310) 256-8618
bdepaola@covenanttechnical.com

City of Santa Monica Sustainable Water Infrastructure Project (SWIP) Advanced Water Treatment Facility (AWTF) *Santa Monica, CA*

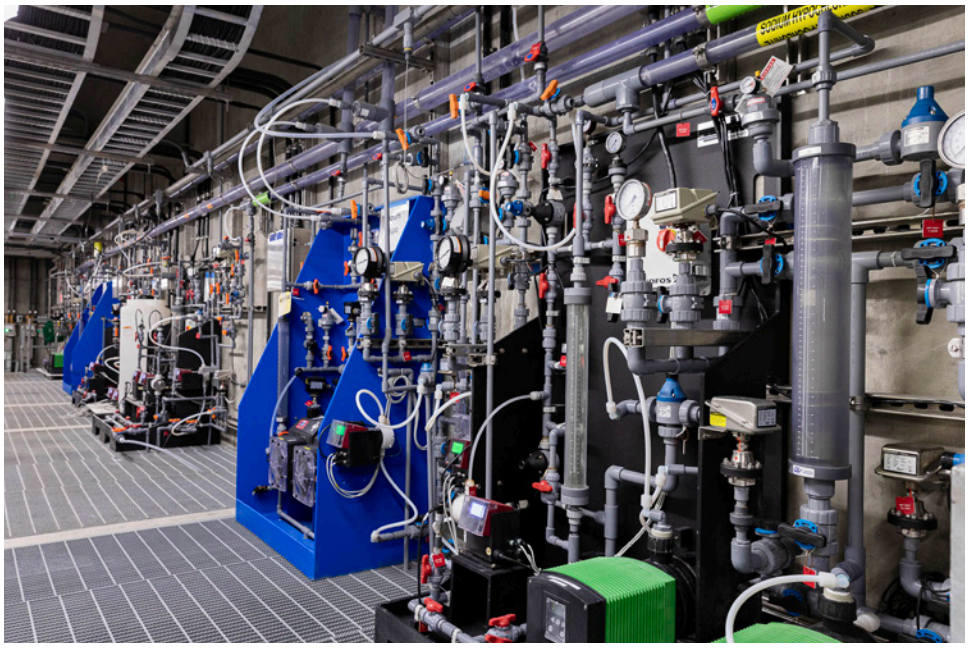


Relevant Features

- MGD treatment system
- Sustainable self-reliant water resource management
- Five-barrier stream treatment process
- Sustainable production through Indirect Potable Reuse
- Underground installation



PACE was responsible for the design of the Advanced Water Treatment Facility (AWTF), which treats a combination of raw wastewater and harvested stormwater to produce 1.0 MGD of purified water for groundwater augmentation. The facility is one of the first to take in raw wastewater, fully oxidize the stream via biological treatment, and provide the pathogen reduction requirement s to meet California Title 22 regulations for Indirect Potable Reuse (IPR) of 12-log virus, 10-log Cryptosporidium, and 10-log Giardia all within one facility. The treatment process consists of a five-barrier stream: membrane bioreactor (MBR), cartridge filtration, reverse osmosis (RO), ultraviolet advanced oxidation process (UVAOP), and chlorine disinfection. The facility is the first to receive pathogen credits through the MBR and cartridge filtration processes. The AWTF is situated in a highly urbanized area and will be a completely subterranean facility located underneath the City's Civic Center parking lot.



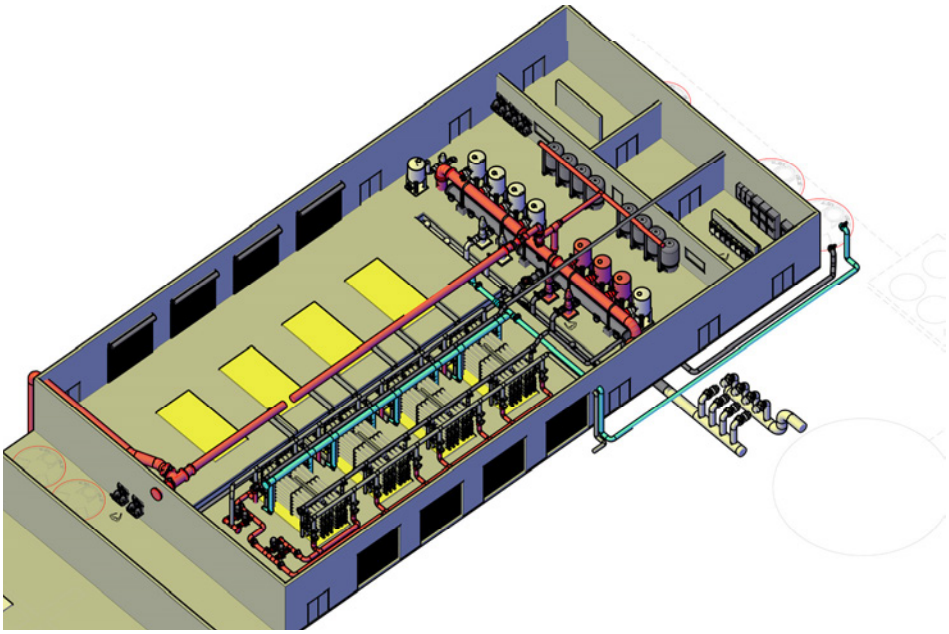
Start/End Date
May 2021 – Ongoing

Key Personnel
Jacob Peterson, PE, *Project Manager*
James Matthews, PE, *Principal / QA/QC*
Ernesto Camarena, *Sr. Instrumentation and Controls Specialist*

Design Contract Amount $90M

Contract Owner
Selim Eren, *Civil Engineer*
City of Santa Monica
1437 4th Street, Suite 300
Santa Monica, CA 90401
(310) 458-8721
selim.eren@smgov.net

Grand View Water Campus RO Groundwater Treatment Facility *Buckeye, AZ*

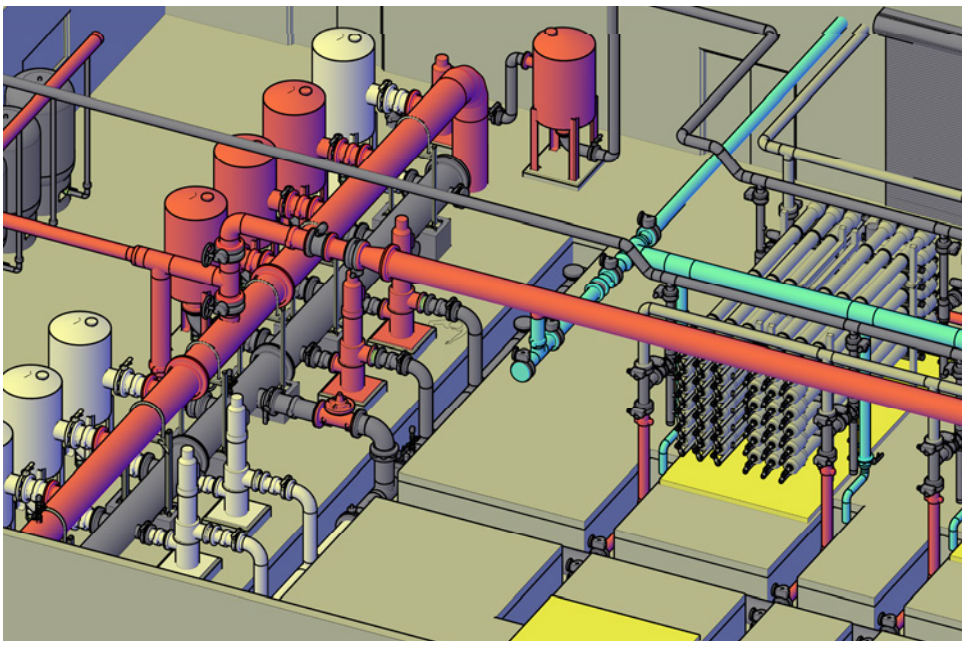


Relevant Features

- PFAS RO groundwater treatment system
- Permitting and regulatory compliance by ADEQ
- Enhanced RO system to extend the membrane lifespan

PACE provided conceptual and preliminary design services for the Grand View reverse osmosis treatment project in the City of Buckeye, Arizona. The project advanced through approximately 30 percent design, including conceptual planning, preliminary design reports, and treatment calculations, before being placed on hold when the City elected to utilize municipal water for the initial phase of the development, eliminating the near-term need for a new RO facility.

During the preliminary design phase, PACE evaluated site specific groundwater quality and developed an optimized RO treatment approach to address elevated salinity, hardness, nitrates, and PFAS. The proposed treatment concept included phased capacity planning and a high recovery RO sequence designed to improve membrane life and long-term operability while meeting drinking water standards.



Start/End Date
May 2024 – February 2025

Key Personnel
Jacob Peterson, PE, *Sr. Consulting Engineer*
Ernesto Camarena, *Sr. Instrumentation and Controls Specialist and P&ID*

Design Contract Amount $590k

Contract Owner
Terry Klinger, *Partner*
Grand View Dairy
5202 S Verrado Way, Buckeye, AZ 85326
(623) 393-0100
terry@rexcollc.com

GROUNDWATER / FILTRATION TREATMENT EXPERIENCE SUMMARY	Groundwater	Ion Exchange	GAC/Adsorption Media	Media Filters (after Adsorption)	Reverse Osmosis	Disinfection	Reductive Coagulated Filtration (RCF)	Distribution System	Field Analysis	Lab Analysis	Bench/Pilot Testing	Operations	Instrumentation & Controls
California-American Water Company Hexavalent Chromium Removal – Los Angeles County, CA	●			●			●	●	●	●	●	●	●
Chumash Water Reclamation Facility Chlorine Disinfection Contact Time Title 22 Re-Rating Study – Santa Ynez, CA						●			●	●	●		
City of Huntington Beach Well 9 – Huntington Beach, CA	●		●					●	●	●	●	●	●
City of Huntington Beach Wells 3, 6, and 8 – Huntington Beach, CA	●							●	●	●	●		
City of Lathrop Advanced Wastewater Treatment and Recycling Facility Expansion CT Study – Lathrop, CA						●			●	●	●		
City of Riverside Garner B Treatment Plant Condition Assessment and PFOS-PFOA Pilot System – Riverside, CA	●	●	●						●	●			●
City of Seal Beach Lampson Water Well and Sewer Siphon – Seal Beach, CA	●		●					●	●	●	●	●	●
City of Somerton Potable Water Master Plan – Somerton, AZ	●							●	●	●		●	
City of Vernon Well Water Quality Assessment and Improvements – Vernon, CA	●	●	●	●				●	●	●	●	●	●
Civita Water Recycling Facility CT Study – San Diego, CA						●			●	●	●		
Golden State Water Company Del Monte Well Arsenic Removal – Claremont, CA	●	●									●		
Golden State Water Imperial Plant PFAS-PFOA Treatment Facility – Norwalk, CA	●	●						●					
Golden State Water Wells PFAS Treatment Systems – Orange County, CA	●	●	●					●	●				●
Grand View Water Campus Reverse Osmosis Desalination Facility – Buckeye, AZ	●				●				●	●		●	●
Grizzly Ranch Potable Water System – Portola, CA	●							●					●
Groundwater Iron and Manganese Filtration System South – Orange County, CA	●		●	●					●	●	●		●
Liberty Utilities Monument Well and Treatment System – Litchfield Park, AZ	●		●			●		●	●			●	●
Mesa Water District Well Automation & Ozone Treatment – Costa Mesa, CA	●								●	●	●		
National City Well Iron and Manganese Treatment System – National City, CA	●		●	●					●	●	●		●
Orange County Water District / Golden State Water Wells PFAS Treatment Systems – Orange County, CA	●	●	●					●	●				●
Papago Butte Water District Improvements – Maricopa, AZ	●	●	●					●					
San Diego County Ion Exchange for a Series of Potable Water Wells – San Diego County, CA		●	●									●	●
Santa Ana Country Club RO System – Orange County, CA	●		●		●				●	●		●	
Santa Margarita Water District Nichols Research Institute Corrosion Prevention Chemical Injection System – Santa Margarita CA	●							●	●	●			
Santa Monica City Services Building Rainwater and Well Treatment & Recycling – Santa Monica, CA	●		●	●					●			●	●
Santa Monica Sustainable Water Infrastructure Project (SWIP) – Santa Monica, CA					●	●			●	●		●	●
South Carolina Superfund Site Groundwater Remediation – Simpsonville, SC	●								●	●	●		
Tejon Mountain Village Surface Water Treatment Plant – Kern County, CA			●			●		●					
Town of Dateland Groundwater Treatment Plant Upgrade – Dateland, AZ	●		●		●			●	●	●		●	
Tulare Drainage District Water Treatment – Tulare Lake, CA					●				●	●	●		
Tuolumne Utilities District Sonora Regional Wastewater Treatment Plant CT Study – Sonora, CA						●			●	●	●		
Water Treatment Facility for Iron and Manganese Removal – Lakeside, CA	●	●	●	●				●				●	●
Wellhead Iron & Manganese Treatment – South Orange County, CA	●		●	●					●	●	●		●
White Horse Ranch Owners Association Water System Improvements – Dewey, AZ	●	●							●			●	●

PROPOSED METHODS TO ACCOMPLISH THE WORK



PROPOSED METHODS TO ACCOMPLISH THE WORK

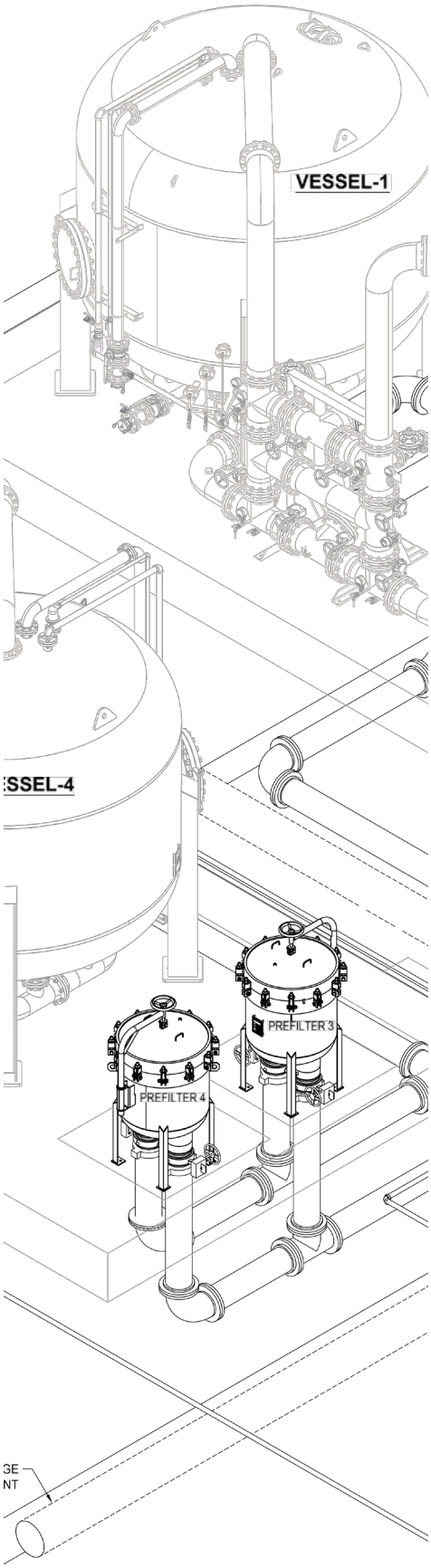
PRELIMINARY OBSERVATIONS

The PACE team reviewed the RFP, lessons learned from past and other current projects, and developed a list of preliminary observations that are noteworthy for consideration:

- **Engage Recreation & Parks Commission:** While the RFP listed a number of key potential stakeholders and regulatory agencies for preliminary coordination to determine requirements, such as Southern California Edison (SCE), Division of Drinking Water (DDW), Chino Basin Desalter Authority (CDA), Inland Empire Utilities Agency (IEUA), and Los Angeles County Sanitation Districts (LACSD), PACE recommends additional optional engineering and architectural efforts to also coordinate with the City's Recreation & Parks Commission since the Project will potential impact John Galvin Park and the programs defined in the Recreation & Parks Master Plan.
- **Pursue CEQA Exemption:** Since this park site has numerous existing water infrastructure components, from multiple storage reservoirs, two (2) wells, a pump station, an abandoned treatment plant, and an active treatment plant with pressure vessels, the City's Planning Department will likely support the use and reference of CEQA Exemptions for CEQA compliance for future improvements. Additionally, it is a customary practice to include a bird nesting study on file for a project located in a park with numerous mature trees.
- **Treatment solutions should be evaluated holistically, not by contaminant alone.** Treatment feasibility will be driven not only by contaminant removal performance, but also by operability, residuals management, and the ability to reliably operate both wells simultaneously. In particular, brine line capacity and integration with existing infrastructure will be key factors influencing viable treatment alternatives. PACE's approach focuses on evaluating treatment solutions as integrated systems rather than isolated unit processes.
- **Residuals and brine management are likely to be a primary constraint.** Based on the City's emphasis on the existing brine line, preliminary observations suggest that residuals management may be a limiting factor for regenerable treatment technologies. PACE's evaluation will quantify brine and waste streams early in the feasibility study and incorporate these impacts directly into alternative screening and lifecycle cost comparisons. This approach allows the City to understand not only what technologies work, but which are practical and sustainable given existing disposal constraints.



PROPOSED METHODOLOGY



Project Initiation

Kickoff Meeting

PACE will initiate the project with a collaborative kickoff meeting designed to align the City and project team on objectives, priorities, and success criteria from the outset. This meeting will ensure a shared understanding of the project goals and establish a clear path forward for the feasibility study.

During the kickoff meeting, PACE will confirm communication protocols, roles, and decision-making processes to promote efficient coordination and timely issue resolution throughout the project.

The project team will work with City staff to define operating parameters for the project, such as well operating scenarios, including single and simultaneous well operation, sequencing requirements, and any operational constraints that influence treatment system design and compliance. PACE may also discuss the existing brine line, including its condition, capacity limitations, and operational considerations, recognizing its importance to treatment feasibility and long-term system reliability.

Information gathered during the kickoff meeting will be used to refine project assumptions, focus the feasibility analysis, and ensure that evaluated alternatives are both technically sound and operationally practical.

Data Review and Validation

The project team will compile and review historical and recent water quality data for nitrate, perchlorate, PFAS, total coliforms, and DBCP, along with any additional available water quality information. This review will focus on understanding contaminant magnitudes, trends, and variability to support defensible treatment evaluations and long-term compliance planning.

To fully understand well performance and operational flexibility, PACE will evaluate well production and operating data, including seasonal pumping histories, pump curves, groundwater levels, and wellhead discharge pressures. Available well pump as-built drawings and driller logs will be reviewed to support accurate hydraulic assessments and treatment system sizing.

PACE will also review existing civil, mechanical, electrical, and process documentation for the well sites and treatment facilities to develop a clear understanding of the current infrastructure, available footprint, and integration opportunities for future improvements.

Recognizing residuals management as a key driver for this project, PACE will collect and evaluate available information on the existing brine line, including alignment, condition, capacity, and discharge limitations, to ensure that treatment alternatives are practical and implementable.

As part of the data review process, PACE will evaluate the City's existing controls and SCADA environment to ensure that proposed treatment alternatives can be seamlessly integrated into current operations. PACE will request information on preferred PLC, HMI, and SCADA platforms, including standard manufacturers, programming environments, control philosophies, and alarm management practices. PACE will review available controls documentation and key interlocks or fail-safe strategies associated with well and treatment system operation. This early coordination will allow controls and communications assumptions to be incorporated realistically into the

feasibility analysis and ensure that evaluated alternatives are operationally compatible with the City's standards.

All data will be reviewed early in the project to identify gaps, inconsistencies, or assumptions that could affect feasibility or cost. PACE will work closely with City staff to resolve these items promptly, ensuring that the feasibility study proceeds on a well-defined, low-risk foundation.

Regulatory Framework and Compliance Basis

PACE will establish the regulatory framework for the feasibility study by reviewing current and anticipated California Division of Drinking Water (DDW) requirements, including applicable Maximum Contaminant Levels (MCLs) and compliance obligations. The project team will identify where regulatory compliance must be achieved within the system and summarize applicable monitoring requirements, such as routine sampling, real-time monitoring, or surrogate parameters, as appropriate for each contaminant.

Treatment requirements will be evaluated on a contaminant-specific basis. For example, PFAS regulations typically require full treatment due to very low MCLs, making blending or partial treatment with bypass strategies impractical, while nitrate compliance may allow blending between sources, or partial blending between raw water and treated water. The project team will also confirm the 4-log viral inactivation requirement associated with total coliform bacteria and evaluate existing contact time (CT) limitations.

In addition to current regulations, PACE will consider future regulatory risks, including contaminants with increasing concentration trends or evolving standards, to ensure that recommended solutions support long-term compliance and operational flexibility.

Contaminant-Specific Treatment Evaluation

Contaminant Screening

PACE will begin the technical evaluation by confirming the magnitude, variability, and operational significance of the contaminants of concern, including nitrate, perchlorate, DBCP, PFAS, and total coliform bacteria. Using this information, the project team will identify California DDW-recognized Best Available Technologies (BAT) applicable to each contaminant. Technologies that are not feasible due to regulatory, operational, or City-specific constraints will be screened out early with clear justification. This focused screening approach ensures that only practical, implementable treatment alternatives are carried forward into detailed evaluation.



Technology Alternatives Development

For each applicable Best Available Technology (BAT), PACE will develop conceptual treatment alternatives that align with the City's priorities, which may include treatment effectiveness, operational complexity, footprint, and long-term flexibility. Each alternative will be evaluated using a clear, easy-to-understand comparison framework, such as a qualitative scoring table that rates technologies against City-defined criteria, similar to the following:

Technology	Category 1	Category 2	Category 3	Category 4	Category 5
1	Excellent	Good	Good	Fair	Excellent
2	Good	Excellent	Excellent	Good	Fair
3	Good	Fair	Excellent	Good	Excellent

Treatment alternatives may include regenerable and single-use ion exchange systems, granular activated carbon (GAC) and PFAS-selective ion exchange systems, and disinfection alternatives such as optimized chlorine contact time, pipeline contact volume, ultraviolet (UV) or ozone disinfection. This structured comparison will allow the City to quickly understand trade-offs and focus on solutions that best meet operational and regulatory objectives.

Process Modeling and Technical Analysis

Treatment Performance Modeling

PACE will evaluate the expected performance of each treatment alternative using established engineering methods. The analysis may include estimated breakthrough behavior for ion exchange and GAC systems, evaluation of competitive ion impacts on media performance, and comparison of vessel configurations such as lead-lag and parallel operation. Where appropriate, the feasibility of bypassing or blending a portion of the flow to reduce media loading and extend media life will be evaluated.

PACE will coordinate with treatment media suppliers to confirm appropriate media selection and performance assumptions for each contaminant. As part of the performance evaluation, the project team will also assess the hydraulic impacts of each treatment alternative, including estimated headloss across treatment systems and the resulting effects on well pump operation. This analysis will help ensure that recommended alternatives are both effective and compatible with existing well infrastructure.

Disinfection and CT Analysis

PACE will evaluate disinfection requirements by performing contact time (CT) calculations under conservative, worst-case conditions, including temperature, pH, and peak flow. Existing infrastructure will be reviewed to determine available CT for both single-well and simultaneous-well operation, and any deficiencies will be identified. Where existing facilities are not sufficient, PACE will develop compliant alternatives to achieve the required viral inactivation prior to the first customer.

In addition to chlorine disinfection, PACE will evaluate alternative disinfection approaches, such as ultraviolet (UV) and ozone. These alternatives will be assessed based on regulatory acceptance, operational considerations, and compatibility with the City's system to identify practical, reliable solutions.



Residuals Management and Brine Line Evaluation

PACE will evaluate residuals generated by each treatment alternative, with a particular focus on impacts to the existing brine line system. The analysis will quantify anticipated brine volumes, waste streams, and disposal requirements associated with regenerable and single-use treatment technologies. Available information on brine line condition, capacity, and discharge limitations will be incorporated to confirm feasibility and identify potential constraints.

Residuals management considerations will be integrated directly into the alternatives evaluation to ensure that recommended solutions are practical, operable, and aligned with the City's long-term maintenance capabilities. Where appropriate, options to reduce residuals loading or improve operational flexibility will be identified.

Lifecycle Cost Analysis

For each viable treatment alternative, PACE will prepare a lifecycle cost analysis to support transparent and informed decision-making. Cost estimates will include order-of-magnitude capital costs as well as ongoing operations and maintenance costs such as chemicals, media replacement or regeneration, power, labor, and residuals disposal.

Lifecycle costs will be presented in a consistent format to allow direct comparison between alternatives and to highlight key cost drivers over the expected service life of the facilities. This approach allows the City to evaluate not only initial construction costs, but also long-term ownership and operational impacts.

Alternatives Evaluation and Recommendation

PACE will compare treatment alternatives using a structured, multi-criteria evaluation framework that reflects City priorities. Evaluation criteria may include regulatory compliance, operational reliability, residuals impacts, footprint requirements, lifecycle cost, and flexibility to address future regulatory changes.

Based on this comparative analysis, PACE will identify a recommended treatment approach supported by clear technical and operational justification. Where appropriate, the evaluation will also identify secondary or phased alternatives that provide flexibility for future implementation.

Implementation Considerations and Phasing

The feasibility study will include conceptual site layouts and process flow diagrams for the evaluated treatment alternatives to illustrate how each option could be implemented. PACE will identify key constructability considerations and outline potential phasing approaches to minimize service disruptions during construction. Permitting requirements and agency coordination considerations will also be discussed to support a smooth transition from feasibility to design and implementation.

SCOPE OF SERVICES

PACE developed and organized the following primary tasks and subtasks to fulfill the requirements outlined in the RFP. Based on the PACE team's experience, we propose some optional subtasks under Task 3 to assist the OMUC to "de-risk" the proposed improvements by anticipating additional potential permitting obstacles not yet identified in the RFP. Supplemental assumptions and exclusions follow.

TASK 01

Feasibility Study (FS) and Preliminary Design Report (PDR)

- **1.1** Project Kick-Off & Site Visit Meeting
- **1.2** Outside Agency Coordination
- **1.3** Surveying
- **1.4** Potholing Services (Assumed 15 Locations at 8' Depth Equated to 2 Days)
- **1.5** Geotechnical Investigation (Assumed 3 Soil Borings at 20' Depth)
- **1.6.a** Site Layout, SCADA and Instrumentation Workshop (Assumed 1 Comprehensive Group Session)
- **1.6.b** Prepare the Draft Site Layout & Technical Memorandum (TM)
- **1.6.c** Prepare the Final Site Layout & Technical Memorandum (TM)
- **1.7** Initial Opinion of Probable Construction Cost
- **1.8** Project Schedule (Assumed with Monthly Updates)
- **1.9.a** Prepare the Draft Feasibility Study (FS)
- **1.9.b** 4-Hour Workshop to Walk Through the Submittal of the Draft FS
- **1.9.c** Prepare the Final Feasibility Study (FS)
- **1.9.d** Workshop to Walk Through the Submittal of the Final FS
- **1.10.a** Prepare the Draft Preliminary Design Report (PDR) with the City Selected Recommended Treatment Alternative
- **1.10.b** 4-Hour Workshop to Walk Through the Submittal of the Draft PDR
- **1.10.c** Prepare the Final Preliminary Design Report (PDR) with the City Selected Recommended Treatment Alternative
- **1.10.d** Workshop to Walk Through the Submittal of the Final PDR

TASK 02

CEQA Compliance

- **2.1** Collaborate with the City's Planning Department to Identify Potential Environmental Concerns
- **2.2.a** Prepare and Identify a Draft List of Potential Initial Studies and the Likely CEQA Compliance Document
- **2.2.b** Prepare the Final List of Potential Initial Studies and the Likely CEQA Compliance Document

TASK 03

Additional Optional Services

- **3.1** Prepare Site and Profile Renderings of New Exterior Improvements Within Existing Water Infrastructure Footprints
- **3.2** Prepare Site and Profile Renderings of New Exterior Improvements Outside of Existing Water Infrastructure Footprints
- **3.3** Assist the City to Share Renderings of the Most Favorable Treatment Alternative to the Recreation & Parks Commission

PACE's proposal is based on the following assumptions and exclusions:

- Assumed the existing park is not in a "liquefaction zone," which is why the geotechnical soil borings will have depths up to approximately 20 feet, or refusal, whichever is shallower. If the site were in a liquefaction zone, an additional fee is likely necessary for additional drilling time and soil testing.
- Assumed the cuttings from the borings will be placed in 55-gallon drums for characterization and will be disposed of off-site. If the excess drill cuttings can be spread on-site in a suitable area provided by the OMUC, the fee can be reduced by $2,100.
- PACE's subconsultant estimates two (2) working days to perform 15 potholes within the park area. However, potholing effort in the industry is not based on the number of holes, but are daily rates.
- Assumed the OMUC will issue no-fee encroachment/right-of-entry permits to PACE and its subconsultants for performing various exploratory tasks within the park/treatment plant site per the RFP.
- The optional Subtasks 3.1 to 3.3 are shown for initial consideration only, without the estimated fee, because the level of effort and the number of necessary architectural renderings are unknown at this time. If the OMUC wants to include PACE's recommended optional subtasks, PACE will promptly select a registered architect, collaborate with OMUC to identify renderings needed, and request for an additional fee.
- For Subtask 2.1 to 2.2.b, the PACE team, from experience, believes the most likely approach for CEQA compliance will be through existing available CEQA Exemptions.

PROJECT SCHEDULE

ID	Task Name	Duration	Start	Finish	Predecessors
1	Notice to Proceed (NTP - Assumed to Start in April 2026)	1 day	Wed 4/1/26	Wed 4/1/26	
2	Subtask 1.1 - Project Kick-Off & Site Visit Meeting	1 day	Thu 4/9/26	Thu 4/9/26	1FS+1 wk
3	Review Record Drawings, System Operation Manuals, Water Quality Data, & Other Relevant Information	3 wks	Fri 4/17/26	Thu 5/7/26	2FS+1 wk
4	Prepare a Written Information Request to Further Gather Relevant Information	1 wk	Fri 4/24/26	Thu 4/30/26	3SS+1 wk
5	Subtask 1.2 - Identify All Potential Outside Agency Stakeholders/Regulators	3 wks	Fri 5/22/26	Thu 6/11/26	3FS+2 wks
6	Subtask 1.3 - Surveying	3 wks	Fri 5/22/26	Thu 6/11/26	3FS+2 wks
7	Subtask 1.6.a - Site Layout, SCADA and Instrumentation Workshop	1 day	Fri 5/15/26	Fri 5/15/26	3FS+1 wk
8	Subtask 1.6.b - Prepare the Draft Site Layout & Technical Memorandum (TM)	7 wks	Fri 5/8/26	Thu 6/25/26	3
9	OMUC Review and Comment on the Draft Site Layout & TM	1 wk	Fri 6/26/26	Thu 7/2/26	8
10	Subtask 1.6.c - Prepare the Final Site Layout & Technical Memorandum (TM)	2 wks	Fri 7/3/26	Thu 7/16/26	9
11	Subtask 1.7 - Initial Opinion of Probable Construction Cost	2 wks	Fri 7/3/26	Thu 7/16/26	9
12	OMUC Review and Approval on the Cost Estimate, Final Site Layout & TM	1 wk	Fri 7/17/26	Thu 7/23/26	10
13	Subtask 1.2 - Outside Agency Coordination	16 wks	Fri 7/31/26	Thu 11/19/26	12FS+1 wk
14	Subtask 1.9.a - Prepare the Draft Feasibility Study (FS)	4 wks	Fri 7/24/26	Thu 8/20/26	12
15	Subtask 1.9.b - 4-Hour Workshop to Walk Through the Submittal of the Draft FS	1 day	Fri 8/21/26	Fri 8/21/26	14
16	OMUC Review and Comment on the Draft FS	1 wk	Mon 8/24/26	Fri 8/28/26	15
17	Subtask 1.9 c - Prepare the Final Feasibility Study (FS)	2 wks	Mon 8/31/26	Fri 9/11/26	16
18	Subtask 1.9.d - Workshop to Walk Through the Submittal of the Final FS	1 day	Mon 9/14/26	Mon 9/14/26	17
19	OMUC Review and Approval on the Final FS	1 wk	Tue 9/15/26	Mon 9/21/26	18
20	Subtask 1.5 - Geotechnical Investigation	4 wks	Tue 10/13/26	Mon 11/9/26	19FS+3 wks
21	Subtask 1.4 - Potholing Services	3 wks	Tue 10/20/26	Mon 11/9/26	19FS+4 wks
22	Subtask 1.10.a - Prepare the Draft Preliminary Design Report (PDR) with the City Selected Recommended Treatment Alternative	9 wks	Tue 9/22/26	Mon 11/23/26	19
23	Subtask 1.10.b - 4-Hour Workshop to Walk Through the Submittal of the Draft PDR	1 day	Tue 11/24/26	Tue 11/24/26	22
24	OMUC Review and Comment on the Draft PDR	1 wk	Wed 11/25/26	Tue 12/1/26	23
25	Subtask 1.10.c - Prepare the Final Preliminary Design Report (PDR) with the City Selected Recommended Treatment Alternative	3 wks	Wed 12/2/26	Tue 12/22/26	24
26	Subtask 1.10.d - Workshop to Walk Through the Submittal of the Final PDR	1 day	Wed 12/23/26	Wed 12/23/26	25
27	OMUC Review and Approval on the Final FS	1 wk	Thu 12/24/26	Wed 12/30/26	26
28	Subtask 2.1 - Collaborate with the City's Planning Department to Identify Potential Environmental Concerns	1 day	Mon 5/25/26	Mon 5/25/26	7FS+1 wk
29	Subtask 2.2.a - Prepare and Identify a Draft List of Potential Initial Studies and the Likely CEQA Compliance Document	2 wks	Tue 5/26/26	Mon 6/8/26	28
30	OMUC Review and Comment on the Draft FS	1 wk	Tue 6/9/26	Mon 6/15/26	29
31	Subtask 2.2.b - Prepare the Final List of Potential Initial Studies and the Likely CEQA Compliance Document	1 wk	Tue 6/16/26	Mon 6/22/26	30
32	OMUC Review and Approval on the Final CEQA Compliance Requirements	1 wk	Tue 6/23/26	Mon 6/29/26	31

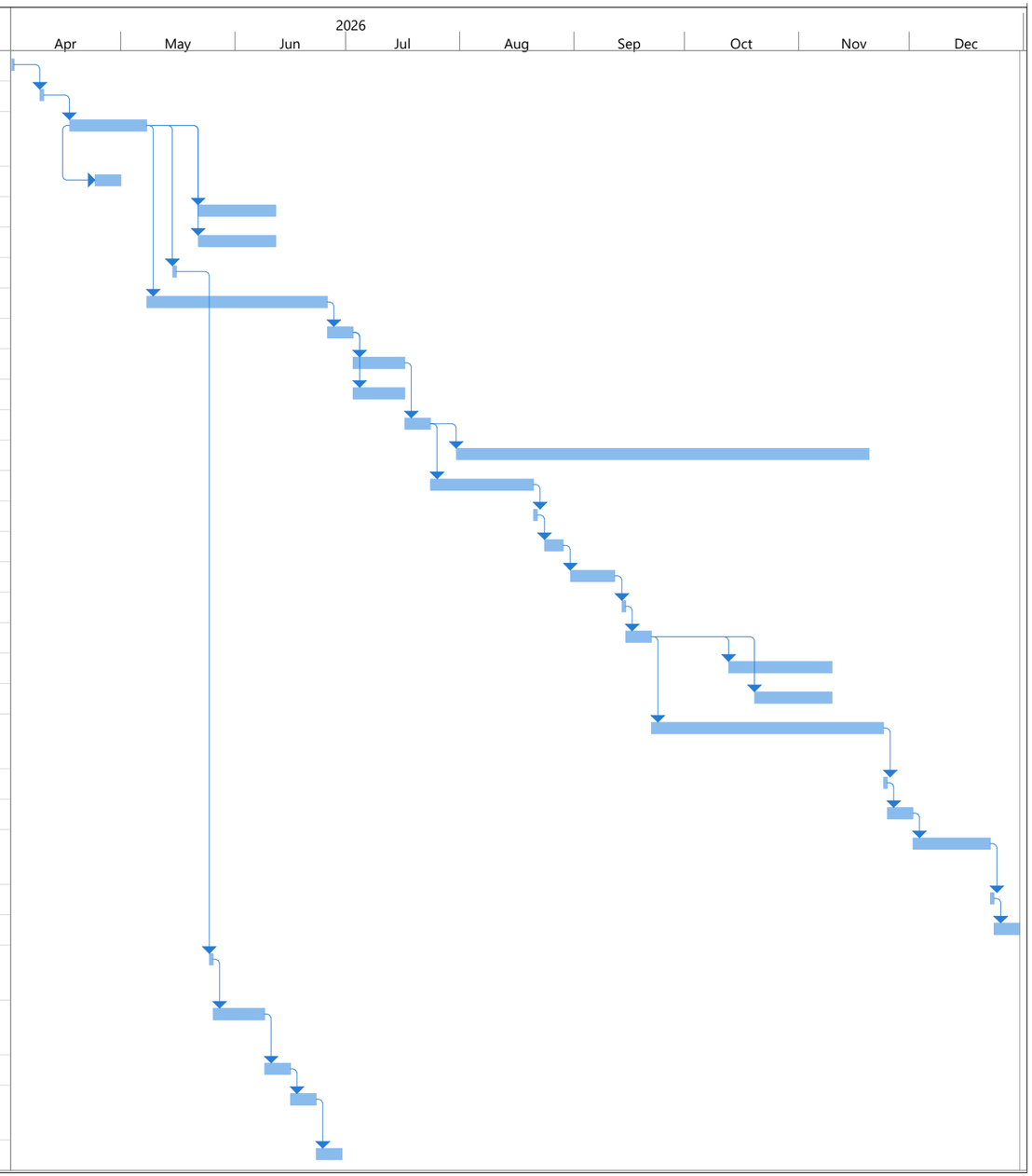


EXHIBIT "B"
FEE SCHEDULE AND COMPENSATION RATES

FEE PROPOSAL



FEE PROPOSAL

Fee Schedule and Rate Sheet Matrix

Project Name: Feasibility Study and Preliminary Design Report to Upgrade the John Galvin Park Water Treatment Plant
Client: City of Ontario, Ontario Municipal Utilities Company (OMUC)
PACE Job Number: #C610
Estimate Date: January 30, 2026

Item No.	Work Item Description	Sr Project Manager	Sr Electrical Engineer	Sr Inst. & Cont. Specialist	Sr Project Engineer	Structural Engineer	Project Engineer	Design Engineer	CAD Spec / GIS Analyst	Graphic Designer	Admin Support	Ninyo & Moore (Geotechnical) Principal Engineer/Geologist	Proj. Eng./Geologist/Env. Sci.	Sr Staff Engineer/Geologist	Tech. Illustrator/CAD Opr.	Data Processor	Fee Summary Man Power Subtotal	Task Costs Subtotal	Lump Sum Fee for Services Huitt-Zollars (Topographic Survey)	Lump Sum Fee for Services BESS Testlab (Pipe Locating & Potholing)	Lump Sum Fee for Services Ninyo & Moore (Geotechnical)	Total Task Costs
		$ 281	$ 265	$ 270	$ 229	$ 200	$ 206	$ 162	$ 157	$ 135	$ 108	$ 250	$ 210	$ 200	$ 140	$ 95						
	Feasibility Study and Preliminary Design Report to Upgrade the John Galvin Park Water Treatment Plant	66	46	42	124	0	0	164	76	0	40	10	22	38	7	5	**640**	**$129,467**				**$169,705**
1	**Task 1 - Feasibility Study (FS) and Preliminary Design Report (PDR)**	54	46	42	119			150	76		38	10	22	38	7	5	**607**	**$122,466**	**$15,000**	**$14,568**	**$10,670**	**$162,704**
2	*Subtask 1.1 - Project Kick-Off & Site Visit Meeting*	4	4	4	4			4			1						21	$4,936				**$4,936**
3	*Subtask 1.2 - Outside Agency Coordination*	6	4		12			16			4						42	$8,518				**$8,518**
4	*Subtask 1.3 - Surveying*	2						2	4		2						10	$1,730	$15,000			**$16,730**
5	*Subtask 1.4 - Potholing Services (Assumed 15 Locations at 8' Depth Equated to 2 Days)*	1			2			4			2						9	$1,603		$14,568		**$16,171**
6	*Subtask 1.5 - Geotechnical Investigation (Assumed 3 Soil Borings at 20' Depth)*	1			1			2			2	10	22	38	7	5	88	$17,225			$10,670	**$27,895**
7	*Subtask 1.6.a - Site Layout, SCADA and Instrumentation Workshop (Assumed 1 Comprehensive Group Session)*	4	4	4	4			4			1						21	$4,936				**$4,936**
8	*Subtask 1.6.b - Prepare the Draft Site Layout & Technical Memorandum (TM)*	4	8	8	20			24	32		4						100	$19,328				**$19,328**
9	*Subtask 1.6.c - Prepare the Final Site Layout & Technical Memorandum (TM)*	2	2	2	8			8	8		2						32	$6,232				**$6,232**
10	*Subtask 1.7 - Initial Opinion of Probable Construction Cost*	2	2	2	4			8									18	$3,844				**$3,844**
11	*Subtask 1.8 - Project Schedule (Assumed with Monthly Updates)*	4									4						8	$1,556				**$1,556**
12	*Subtask 1.9.a - Prepare the Draft Feasibility Study (FS)*	4	4	4	24			24	12		4						76	$14,964				**$14,964**
13	*Subtask 1.9.b - 4-Hour Workshop to Walk Through the Submittal of the Draft FS*	4	4	4	4			4			1						21	$4,936				**$4,936**
14	*Subtask 1.9 c - Prepare the Final Feasibility Study (FS)*	2	2	2	8			12	4		2						32	$6,252				**$6,252**
15	*Subtask 1.9.d - Workshop to Walk Through the Submittal of the Final FS*	2	2	2	2			2			1						11	$2,522				**$2,522**
16	*Subtask 1.10.a - Prepare the Draft Preliminary Design Report (PDR) with the City Selected Recommended Treatment Alternative*	4	2	2	16			24	12		4						64	$12,062				**$12,062**
17	*Subtask 1.10.b - 4-Hour Workshop to Walk Through the Submittal of the Draft PDR*	4	4	4	4			4			1						21	$4,936				**$4,936**
18	*Subtask 1.10.c - Prepare the Final Preliminary Design Report (PDR) with the City Selected Recommended Treatment Alternative*	2	2	2	4			6	4		2						22	$4,364				**$4,364**
19	*Subtask 1.10.d - Workshop to Walk Through the Submittal of the Final PDR*	2	2	2	2			2			1						11	$2,522				**$2,522**
20	**Task 2 - CEQA Compliance**	12			5			14			2						**33**	**$7,001**				**$7,001**
21	*Subtask 2.1 - Collaborate with the City's Planning Department to Identify Potential Environmental Concerns*	6			2												8	$2,144				**$2,144**
22	*Subtask 2.2.a - Prepare and Identify a Draft List of Potential Initial Studies and the Likely CEQA Compliance Document*	4			2			10			1						17	$3,310				**$3,310**
23	*Subtask 2.2.b - Prepare the Final List of Potential Initial Studies and the Likely CEQA Compliance Document*	2			1			4			1						8	$1,547				**$1,547**
24	**Task 3 - Additional Optional Services (Fee Estimate Not Yet Included)**																**0**	**$0**				**$0**
25	*Subtask 3.1 - Prepare Site and Profile Renderings of New Exterior Improvements Within Existing Water Infrastructure Footprints (Fee Estimate Not Yet Included)*																0	$0				**$0**
26	*Subtask 3.2 - Prepare Site and Profile Renderings of New Exterior Improvements Outside of Existing Water Infrastructure Footprints (Fee Estimate Not Yet Included)*																0	$0				**$0**
27	*Subtask 3.3 - Assist the City to Share Renderings of the Most Favorable Treatment Alternative to the Recreation & Parks Commission (Fee Estimate Not Yet Included)*																0	$0				**$0**
																Total	**640**	**$129,467**	**$15,000**	**$14,568**	**$10,670**	**$169,705**

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **PUBLIC HEARINGS**
Department: Financial Services Prepared By: Pablo De Lara Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 26

SUBJECT: **A PUBLIC HEARING TO CONSIDER THE ADOPTION OF AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT (FILE NO. PDA25-004) BETWEEN THE CITY OF ONTARIO, SLV LC CENTER LLC, HCW LC CENTER LLC, STRACK FARMS LAND LLC, RHV EDISON AVE LLC, MV EDISON AVE LLC, AND EPC HOLDINGS 938 LLC**

RECOMMENDATION: That the City Council introduce and waive further reading of an Ordinance Approving a Development Agreement (File No. PDA25-004) between the City of Ontario, SLV LC Center LLC, HCW LC Center LLC, Strack Farms Land LLC, RHV Edison Ave LLC, MV Edison Ave LLC, and EPC Holdings 938 LLC.

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

FISCAL IMPACT: There is no direct fiscal impact associated with this action. The Development Agreement will provide funding from the formation of a Community Facilities District (CFD) for City services and facilities required to support this Ontario Ranch project. In addition, the City will receive development impact, compliance processing, licensing, and permitting fees.

BACKGROUND & ANALYSIS: The Ontario Ranch financial commitments required for construction of properties within a Specific Plan are substantial. Therefore, to adequately forecast these costs and gain assurance that the project may proceed under the existing policies, rules, and regulations, SLV LC Center LLC, HCW LC Center LLC, Strack Farms Land LLC, RHV Edison Ave LLC, MV Edison Ave LLC, and EPC Holdings 938 LLC (collectively the "Applicant" or "Owner"), has requested that the City enter into negotiations to create a Development Agreement (Agreement).

The Agreement proposes to include 15.91 acres of land within Planning Area 10A of the Rich-Haven Specific Plan, as shown on the attached Exhibit A. The Agreement grants the Applicant a vested right to develop Tentative Tract Map 20779 (the "Map"), provided that the Owner complies with the terms and conditions of the Specific Plan and related Environmental Impact Report (EIR).

The Map (see attached Exhibit B) located on the northwest corner of Hamner Avenue and Ladybug Paseo and proposes to subdivide 15.91 acres of land into 99 numbered lots and 16 lettered lots to facilitate the construction of 86 single-family dwelling units and 139 multiple-family dwelling units for condominium purposes.

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

In considering the Agreement at their meeting on April 28, 2026, the Planning Commission found the Agreement to be consistent with State law, The Ontario Plan, and the City's Development Agreement policies. As a result, the Planning Commission unanimously approved and adopted Resolution No. PC26-019, recommending City Council approval of the Agreement.

ENVIRONMENTAL REVIEW: The environmental impacts of this Project were previously reviewed in conjunction with the Rich-Haven Specific Plan Amendment (File No. PSPA22-001), for which an Environmental Impact Report (State Clearinghouse No. 2022100425) was adopted by the City Council on June 20, 2023. This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are a condition of Project approval and are incorporated herein by this reference.

Exhibit A: RICH-HAVEN SPECIFIC PLAN LAND USE MAP

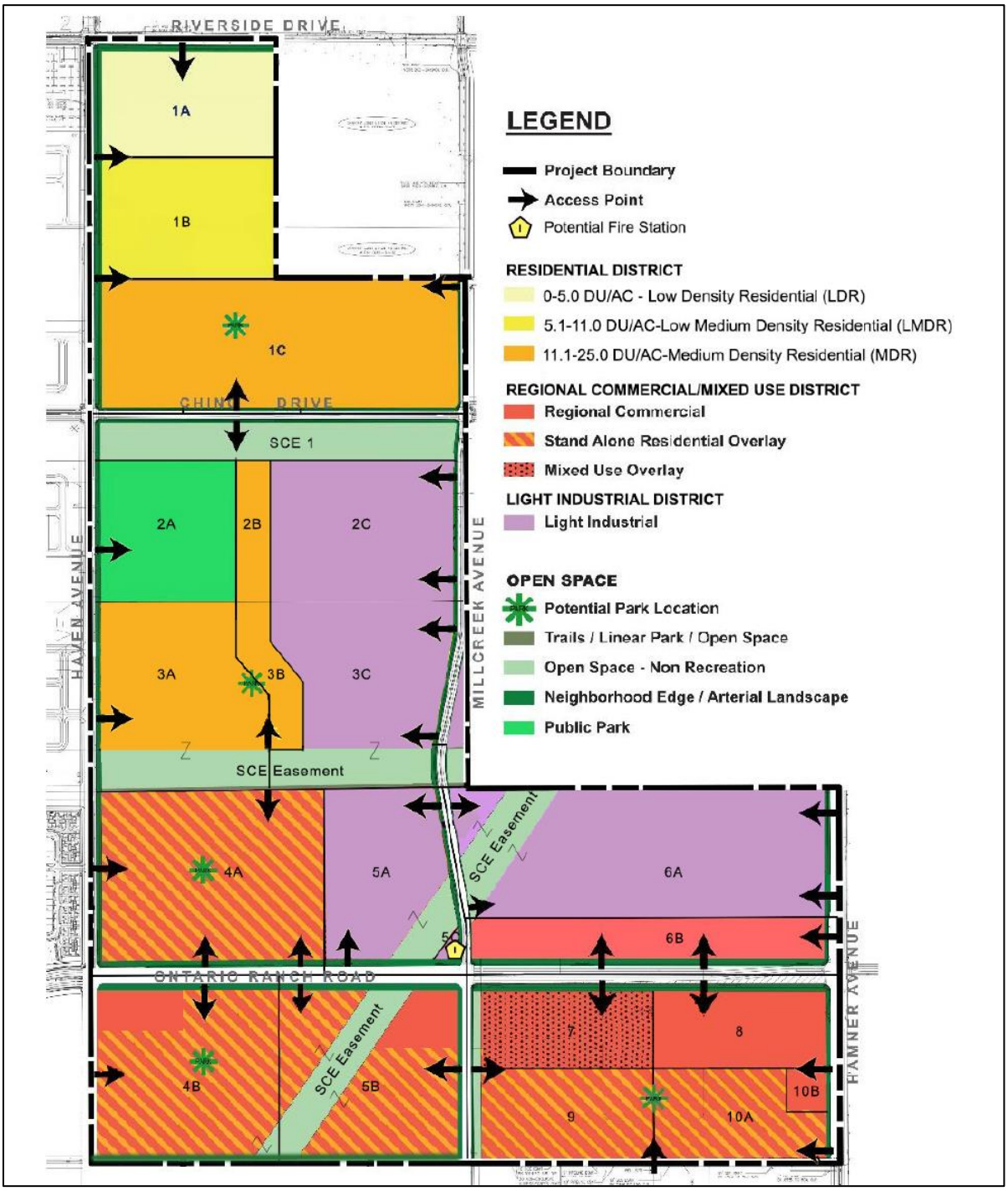
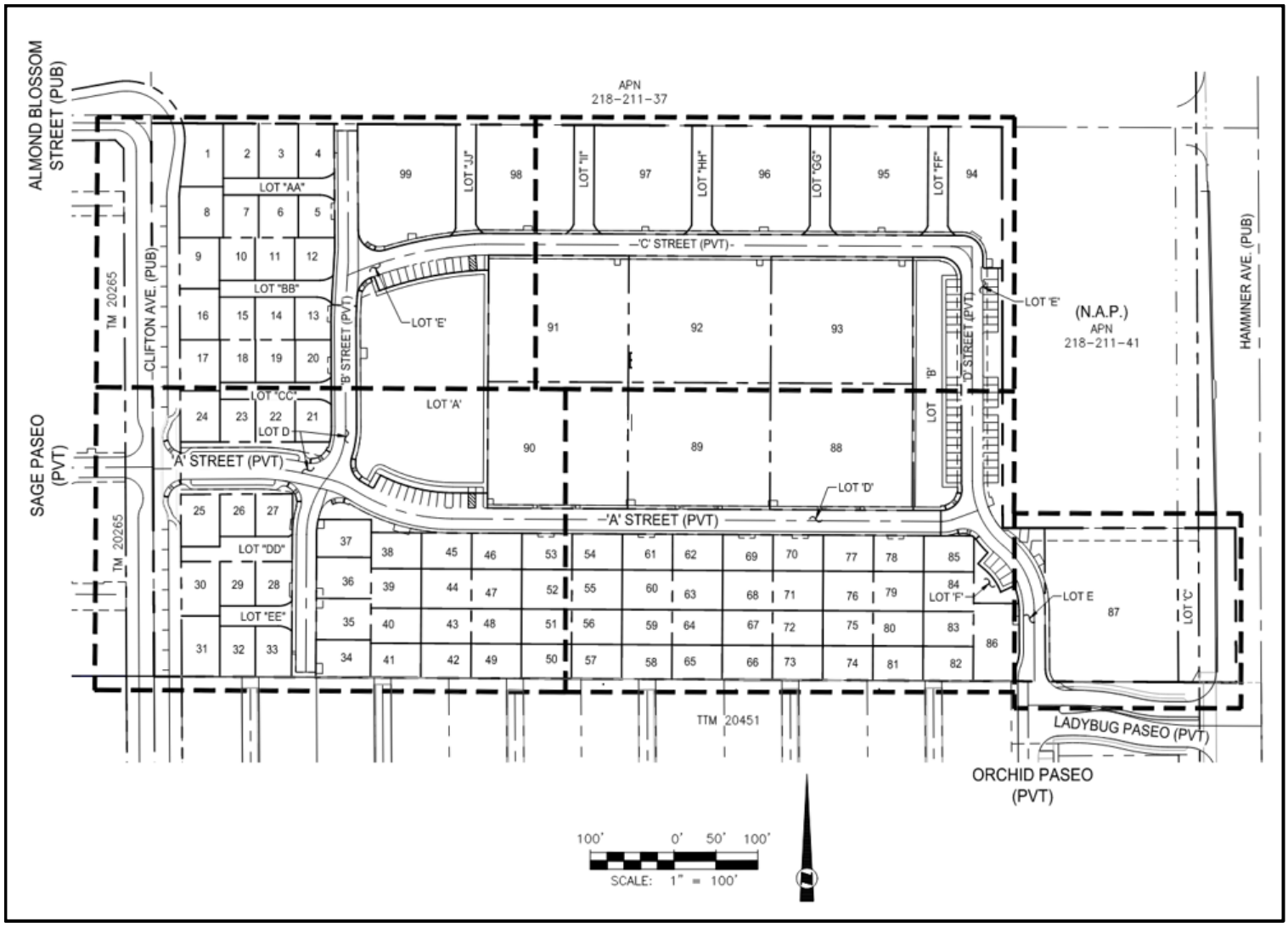


Exhibit B: TENTATIVE PARCEL MAP NO. 20779



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECOMMENDING CITY COUNCIL APPROVE FILE NO. PDA25-004, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND SLV LC CENTER LLC, HCW LC CENTER LLC, STRACK FARMS LAND LLC, RHV EDISON AVE LLC, MV EDISON AVE LLC, AND EPC HOLDINGS 938, LLC TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE PARCEL MAP NO. 20779 (FILE NO. PMTT25-007), LOCATED ON THE NORTHWEST CORNER OF HAMNER AVENUE AND LADYBUG PASEO WITHIN PLANNING AREA 10A OF THE RICH-HAVEN SPECIFIC PLAN. (APN: 0218-211-40).

WHEREAS, Risewell Homes ("Applicant") has filed an Application for the approval of a Development Agreement, File No. PDA25-004, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 15.91 acres of land, located on the northwest corner of Hamner Avenue and Ladybug Paseo within Planning Area 10A of the Rich-Haven Specific Plan; and

WHEREAS, the Applicant submitted Tentative Parcel Map No. 20779 (File No. PMTT25-007), subdividing 15.91 acres of land to facilitate the construction of 86 single-family dwelling units and 139 multiple-family dwelling units and for condominium purposes; and

WHEREAS, the environmental impacts of this Project were previously reviewed in conjunction with the Rich-Haven Specific Plan Amendment (File No. PSPA22-001), for which an Environmental Impact Report (State Clearinghouse No. 2022100425) was adopted by the City Council on June 20, 2023. This Application introduces no new significant environmental impacts; and

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

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

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

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

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

WHEREAS, on April 28, 2026, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

WHEREAS, on June 2, 2026, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

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

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

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

(1) The environmental impacts of this Project were previously reviewed in conjunction with the Rich-Haven Specific Plan Amendment (File No. PSPA22-001), for which an Environmental Impact Report (State Clearinghouse No. 2022100425) was adopted by the City Council on June 20, 2023; and

(2) The previous Certified EIR contains a complete and accurate reporting of the environmental impacts associated with the Project; and

(3) The previous Certified EIR was completed in compliance with CEQA and the Guidelines promulgated thereunder; and

(4) The previous Certified EIR reflects the independent judgment of the City Council; and

(5) The proposed Project will introduce no new significant environmental impacts beyond those previously analyzed in the previous Certified EIR, and all mitigation measures previously adopted with the Certified EIR, are incorporated herein by this reference.

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

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

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

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

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

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

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

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

SECTION 3: ***Housing Element Compliance.*** Pursuant to the requirements of California Government Code Chapter 3, Article 10.6, commencing with Section 65580, as the recommending body for the Project, the City Council finds that based on the facts and information contained in the Application and supporting documentation, at the time of Project implementation, the project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan. The project site is not one of the properties in the Housing Element Sites contained in Tables B-1 and B-2 (Housing Element Sites Inventory) of the Housing Element Technical Report.

SECTION 4: ***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 recommending 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 is consistent with the policies and criteria set forth within the ONT ALUCP; and

SECTION 5: ***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 through 4, above, the City Council hereby concludes as follows:

(1) The Development Agreement applies to approximately 15.91 acres of land located on the northwest corner of Hamner Avenue and Ladybug Paseo within Planning Area 10A of the Rich-Haven Specific Plan; and

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

(3) The Development Agreement grants the Applicant a vested right to develop Tentative Pacel Map 20779 (File No. PMTT25-007) as long as the Applicant complies with the terms and conditions of the Rich-Haven Specific Plan and EIR. Tentative Tract Map 20779 located on the northwest corner of Hamner Avenue and Ladybug Paseo proposes to subdivide 15.91 acres of land into 99 numbered lots and 16 lettered lots to facilitate the construction of 86 single-family dwelling units and 139 multiple-family dwelling units for condominium purposes; and

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

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

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

(7) This Development Agreement will not be materially injurious or detrimental to the adjacent properties and will not have a significant impact on the environment or the surrounding properties for which an Addendum to Environmental Impact Report (State Clearinghouse No. 2022100425) was adopted by the City Council on June 20, 2023; and

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

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

SECTION 7. The City Council acknowledges that refinement and further development of the Ontario Ranch development area may demonstrate that changes are appropriate with respect to the details and performance of the parties under the Development Agreement. The City Council desires to retain a certain degree of flexibility with respect to the details of the Ontario Ranch developments, and with respect to those items covered in general terms under the Development Agreement. If and when the City Manager (or designee) and the Developer mutually find that changes, adjustments, or clarifications are appropriate to further the intended purposes of the Development Agreement, and such are not materially inconsistent with the Development Agreement, they may, unless otherwise required by law, effectuate such changes, adjustments, or clarifications by written amendment to this Agreement, or through one or more memoranda which are mutually approved by the City Manager on behalf of the City and by the Developer, and, after execution, shall be attached to the Development Agreement and become a part thereof. Unless otherwise required by law, no such changes, adjustments, or clarifications shall require prior notice or hearing before the City Council. The City Manager, with the approval of the City Attorney, shall have the authority but not the obligation to execute amendments, memoranda or other documents, and may take any action necessary to implement the Development Agreement.

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

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

SECTION 10. If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other

provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Ontario hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

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

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

PASSED, APPROVED, AND ADOPTED this _____ day of _____ 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held June 2, 2026 and adopted at the regular meeting held _____, 2026 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)

ATTACHMENT A:

FILE NO. PDA25-004
DEVELOPMENT AGREEMENT

By and Between

City of Ontario
a California municipal corporation
and
SLV LC Center LLC
a Florida limited liability company
and
HCW LC Center LLC
a Florida limited liability company
and
Strack Farms Land LLC
a Delaware limited liability company
and
RHV Edison Ave LLC
a Florida limited liability company
and
MV Edison Ave LLC
a Florida limited liability company
and
EPC Holdings 938 LLC
a Washington limited liability company

(Development Agreement to follow this page)

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

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

Exempt from Fees Per Gov. Code § 6103

Space above this line for Recorder's Use Only

FILE NO. PDA25-004
DEVELOPMENT AGREEMENT

By and Between

City of Ontario
a California municipal corporation
and
SLV LC Center LLC
a Florida limited liability company
and
HCW LC Center LLC
a Florida limited liability company
and
Strack Farms Land LLC
a Delaware limited liability company
and
RHV Edison Ave LLC
a Florida limited liability company
and
MV Edison Ave LLC
a Florida limited liability company
and
EPC Holdings 938 LLC
a Washington limited liability company

_____, 2026

San Bernardino County, California

DEVELOPMENT AGREEMENT PDA25-004

This Development Agreement (hereinafter "Agreement") is entered into effective as of the ____ day of _____, 2026 by and among the City of Ontario, a California municipal corporation (hereinafter "CITY"), and SLV LC Center LLC, HCW LC Center LLC, Strack Farms Land LLC, RHV Edison Ave LLC, MV Edison Ave LLC, and EPC Holdings 938 LLC (hereinafter "OWNER"):

RECITALS

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

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

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

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

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

WHEREAS, all of the procedures of the California Environmental Quality Act have been met with respect to the Project and the Agreement in that the Rich Haven Specific Plan (State Clearinghouse No. 2022100425 (the "FEIR"). The City Council found and determined that the FEIR was prepared in accordance with the requirements of the California Environmental Quality Act and adequately describes the impacts of the project described in the FEIR, which included consideration of this Agreement; and

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

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

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

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864 et seq. of the Government Code are intended; and

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

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

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

COVENANTS

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

1. DEFINITIONS AND EXHIBITS.

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

1.1.1 "Agreement" means this Development Agreement.

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

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

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

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

(a) specific plans and specific plan amendments;

(b) tentative and final subdivision and parcel maps;

(c) development plan review;

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

(e) zoning;

(f) grading and building permits.

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

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

Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5 of the Government Code; the processing of maps under the provisions of the Subdivision Map Act, Division 2 (commencing with Section 66410) of Title 7 of the Government Code; or planning services under the authority of Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 of the Government Code, fees and charges as described in Sections 51287, 56383, 57004, 65104, 65456, 65863.7, 65909.5, 66013, 66014, and 66451.2 of the Government Code, Sections 17951, 19132.3, and 19852 of the Health and Safety Code, Section 41901 of the Public Resources Code, and Section 21671.5 of the Public Utilities Code, as such codes may be amended or superceded, including by amendment or replacement.

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

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

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

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

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

1.1.13 "Improvement" or "Improvements" means those public improvements required to support the development of the Project as described in the Tract Map conditions for Tract No. 20779 as further described in Exhibit "F" (the "Infrastructure Improvements Exhibit").

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

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

(b) taxes and assessments;

(c) the control and abatement of nuisances;

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

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

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

1.1.16 "Model Units" means a maximum of 22 (XX) model units, private common recreation facilities and sales facilities constructed by OWNER prior to the construction of any Production units and not offered for sale and occupancy for a period of time after the issuance of permits for Production Units.

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

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

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

1.1.20 "Phase 2 Water EDUs" means the number of equivalent dwelling units or non-residential square footage assigned to OWERN upon payment to CITY of the Phase 2 Water Participation Fee for the Project and evidenced by the issuance by CITY of a Certificate of Phase 2 Net MDD Availability in the form attached as Exhibit "G".
1.1.21 "Phase 2 Water Improvements" means the future water infrastructure Improvements required for the issuance by CITY of the "Water Availability Equivalents" (WAE) for the Project.

1.1.21 "Phase 2 Water Participation Fee" means the fee paid to City upon City approval of the first Development Entitlement for the Project, to fund the Property's respective share of the projected costs of the design and construction of the Phase 2 Water Improvements by City. The Phase 2 Water Participation Fee shall be the calculated amount of the Regional Water DIF for the Project based upon the number of units, and land use category for residential units or the number of square feet, and land use category for non-residential square footage of the Project.

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

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

1.1.24 “Property” means the real property described on Exhibit “A” and shown on Exhibit “B” to this Agreement.

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

1.1.26 “Specific Plan” means that certain specific plan adopted by the City Council, and entitled, “Rich Haven Specific Plan.”

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

1.1.28 “Subsequent Development Approvals” means all Development Approvals required subsequent to the Effective Date in connection with development of the Property.

1.1.29 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

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

1.1.31 “Amendment to the Construction Agreement” means the amendment to the Construction Agreement modifying the boundaries of the property in Exhibit A of such Construction Agreement to include the Property covered by this Agreement and to provide for the additional funds required for CITY’s future construction of the “Phase 2 Water Improvements” described in a modification to Exhibit C-3 of the Construction Agreement.

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

Exhibit “A” — Legal Description of the Property.

Exhibit “B” — Map showing Property and its location.

Exhibit “C” — Existing Development Approvals.

Exhibit “D” — Existing Land Use Regulations.

Exhibit “E” — Description of Required Infrastructure Improvements

Exhibit “F” — Depiction of Required Infrastructure Improvements

Exhibit “G” - Form of Certificate of Net MDD to be issued by CITY

Exhibit “H” – Form of Certificate of DIF Credit to be issued by CITY

Exhibit “I-1” – Ontario Ranch Water Supply Phasing Plan

Exhibit “I-2” - Water Demand Equivalents by Land Use

Exhibit “J” - Form of Plume Disclosure Letter

2. GENERAL PROVISIONS.

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

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

2.3 Term. The term of this Agreement shall commence on the Effective Date and shall continue for an initial term of ten (10) years thereafter unless this term is modified or extended pursuant to the provisions of this Agreement. The term of this Agreement may be extended for an additional five (5) years following expiration of the initial ten (10) year term, provided the following have occurred:

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

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

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

2.4 Assignment.

2.4.1 Right to Assign. OWNER shall have the right to sell, transfer or assign the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq.), to any

person, partnership, limited liability company, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such sale, transfer or assignment shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following:

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

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

(c) Any sale, transfer or assignment not made in strict compliance with the foregoing conditions shall constitute a default by OWNER under this Agreement. Notwithstanding the failure of any purchaser, transferee or assignee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this Agreement shall be binding upon such purchaser, transferee or assignee, but the benefits of this Agreement shall not inure to such purchaser, transferee or assignee until and unless such agreement is executed. The City Manager shall have the authority to review, consider and either approve, conditionally approve, or deny any proposed sale, transfer or assignment that is not made in compliance with this section 2.4.

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

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

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

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

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

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

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

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

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

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

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

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

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

2.4.6 Partial Assignment and Assumption. CITY and OWNER agree OWNER may partially assign its obligations and rights under this Agreement, and all amendments hereto, to a purchaser, transferee or assignee of a lot, which has been subdivided subject to provisions of a partial assignment and assumption agreement in a form approved by CITY. Any such complete and executed partial assignment and assumption of this Agreement shall be submitted to CITY for approval pursuant to Section 2.4.1 of this Agreement. CITY shall review, and if the above conditions, including but not limited to, those conditions in Section 2.4.2, are satisfied, CITY may approve the partial assignment and release and notify the purchaser, transferee or

assignee in writing thereof. No such release approved pursuant to this Subsection 2.4.6 shall cause, or otherwise affect, a release of OWNER from the duties and obligations under this Agreement that are retained by OWNER and excluded from the transfer or assignment.

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

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

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

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

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

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

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

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

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

2.7 Notices.

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

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

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

If to OWNER:
Richland
Attn: Craig Cristina, Vice President
3161 Michelson Drive, Suite 425
Irvine, CA 92612

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

with a copy to:
Richland
Attn: Legal Department
3161 Michelson Drive, Suite 425
Irvine, CA 92612

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

3. DEVELOPMENT OF THE PROPERTY.

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

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, CITY shall exercise discretion in accordance with the same manner as it exercises its discretion under its police powers, including the Reservations of Authority set forth herein; provided however, that such discretion shall not prevent development of the Property for the uses and to the density or intensity of development set forth in this Agreement.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Ca1. 3d 465, that the failure of the

parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment.

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

3.4.1 Attached hereto as Exhibit "F" is a description of the infrastructure improvements needed for the development of the Property ("the Infrastructure Improvement Exhibit").

3.4.2 Subject to the prior submittal by OWNER and approval by CITY of a plan to provide sufficient public infrastructure for the construction of a maximum number of Twenty-two (22) Model Units, private common recreation facilities and sales facilities. CITY may issue a maximum of Twenty-two (22) building permits for Model Units, private common recreation facilities and sales facilities. The plan to be submitted by OWNER for CITY approval shall describe the utilities and other infrastructure necessary to provide sufficient fire protection and other public health and safety requirements for the Model Units and other facilities.

3.5 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development Approvals. In the event OWNER finds that a change in the Existing Development Approvals is necessary or appropriate, OWNER shall apply for a Subsequent Development Approval to effectuate such change and CITY shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be incorporated herein as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section. Unless otherwise required by law, as determined in CITY's reasonable discretion, a change to the Existing Development Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

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

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

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

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

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

3.6 Reservations of Authority.

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

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

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

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

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

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

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

3.6.2 Subsequent Development Approvals. This Agreement shall not prevent CITY, in acting on Subsequent Development Approvals, from applying

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

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

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

3.7 Public Works; Utilities. If OWNER is required by this Agreement to construct any public works facilities which will be dedicated to CITY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner and subject to the same requirements as would be applicable to CITY or such other public agency should it have undertaken such construction. As a condition of development approval, OWNER shall connect the Project to all utilities necessary to provide adequate water, recycled water, sewer, gas, electric, and other utility service to the Project. As a further condition of development approval, OWNER shall contract with the CITY for CITY-owned or operated utilities for this purpose, for such price and on such terms as may be available to similarly situated customers in the CITY.

(INSERT SPECIFIC INFRASTRUCUTRE IMPROVEMENTS)

3.7.1 OWNER agrees that development of the Project shall require the construction of Storm Drain facilities from the Property to the connection with the County Line Channel as described in Exhibit F. OWNER shall be responsible for

the construction of the necessary extension of master planned Storm Drain facilities.

3.7.2 OWNER agrees that development of the Project shall require the construction of street improvements as described in Exhibit E and depicted in Exhibit F.

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

3.7.4 OWNER agrees that NMC Builders shall be responsible for funding a portion of the design and construction of an additional extension of recycled water infrastructure in Riverside and Haven Avenues to be constructed by CITY. These recycled water Improvements shall also serve the Project. OWNER shall deposit, or shall have deposited, with NMC Builders an amount equal to the OWNER's capital contribution for the design and construction of the NMC Builders portion of the recycled water improvements in Riverside and Haven Avenues known as the "Phase 2 Recycled Water Improvements" within thirty (30) days after CITY requests such funds from NMC Builders. If OWNER has not deposited such amount, with NMC Builders within thirty (30) days after CITY requests such funds from NMC Builders, then CITY shall be entitled to withhold issuance of any further permits (whether discretionary or ministerial) for the Project unless and until OWNER deposits the amount of OWNER's capital contribution with NMC Builders for the design and construction of the NMC Builders portion of the Phase 2 Recycled Water System Improvements.

3.7.5 OWNER agrees that development of the Property shall require the extension of permanent sewer improvements, at OWNER's sole cost and expense, as described in the attached Exhibit E and depicted in Exhibit F consisting generally of the construction of the extension of sewer infrastructure to serve the Property.

3.7.6 OWNER agrees that development of the Property shall require the extension of permanent master planned fiber optic communications infrastructure, at OWNER's sole cost and expense, as described in the attached Exhibit F consisting generally of the construction of the extension of fiber optic communications infrastructure to serve the Property.

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

3.8.1 CITY Acquisition of Non-Construction Agreement Offsite Property. In the event OWNER is required to construct any public improvements on land not owned by OWNER, but such requirement is not based upon the Construction Agreement, Sections 3.8.1 and 3.8.2 shall control the acquisition of the necessary property interest(s) ("Non-Construction Agreement Offsite Property"). If the OWNER is unable to acquire such Non-Construction Agreement Offsite Property, and following the written request from the OWNER to CITY, CITY agrees to use reasonable and diligent good faith efforts to acquire the Non-Construction Agreement Offsite Property from the owner or owners of record by negotiation to the extent permitted by law and consistent with this Agreement. If CITY is unable to acquire the Non-Construction Agreement Offsite Property by negotiation within thirty (30) days after OWNER'S written request, CITY shall, initiate proceedings utilizing its power of eminent domain to acquire that Non-Construction Agreement Subject Property at a public hearing noticed and conducted in accordance with California Code of Civil Procedure Section 1245.235 for the purpose of considering the adoption of a resolution of necessity concerning the Non-Construction Agreement Offsite Property, subject to the conditions set forth in this Section 3.8. The CITY and OWNER acknowledge that the timelines set forth in this Section 3.8.1 represent the maximum time periods which CITY and OWNER reasonably believe will be necessary to complete the acquisition of any Non-Construction Agreement Offsite Property. CITY agrees to use reasonable good faith efforts to complete the actions described within lesser time periods, to the extent that it is reasonably able to do so, consistent with the legal constraints imposed upon CITY.

3.8.2 Owner's Option to Terminate Proceedings. CITY shall provide written notice to OWNER no later than fifteen (15) days prior to making an offer to the owner of the Non-Construction Agreement Offsite Property. At any time within that fifteen (15) day period, OWNER may, at its option, notify CITY that it wants CITY to cease all acquisition proceedings with respect to that Non-Construction Agreement Offsite Property, whereupon CITY shall cease such proceedings. CITY shall provide written notice to OWNER no later than fifteen (15) days prior to the date of the hearing on CITY'S intent to consider the adoption of a resolution of necessity as to any Non-Construction Agreement Offsite Property. At any time within that fifteen (15) day period, OWNER may, at its option, notify

CITY that it wants CITY to cease condemnation proceedings, whereupon CITY shall cease such proceedings. If OWNER does not notify CITY to cease condemnation proceedings within said fifteen (15) day period, then the CITY may proceed to consider and act upon the Non-Construction Agreement Offsite Property resolution of necessity. If CITY adopts such resolution of necessity, then CITY shall diligently institute condemnation proceedings and file a complaint in condemnation and seek an order of immediate possession with respect to the Non-Construction Agreement Offsite Property.

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

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

4. PUBLIC BENEFITS.

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

4.2 Development Impact Fees.

4.2.1 Amount of Development Impact Fee. Development Impact Fees (DIF) shall be paid by OWNER. The Development Impact Fee amounts to be paid by OWNER shall be the amounts that are in effect at the time such amounts are due. Nothing contained in this Agreement shall affect the ability of the CITY to

impose new Development Impact Fees or amend the amounts of existing Development Impact Fees. Additionally, nothing contained in this Agreement shall affect the ability of other public agencies that are not controlled by CITY to impose and amend, from time to time, Development Impact Fees established or imposed by such other public agencies, even though such Development Impact Fees may be collected by CITY.

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

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

4.3 Responsibility for Construction of Public Improvements.

4.3.1 Timely Construction of Public Infrastructure. The phasing of the areawide infrastructure construction within the New Model Colony will be as approved by the CITY. OWNER shall be responsible for the timely construction and completion of all public infrastructure required for the Project as shown on the attached Exhibit "F" and any and all tentative tract map conditions. Unless otherwise specified in the Subdivision Agreement/Tract Map conditions, all other required Improvements for each Tract Map, shall be completed and operational prior to, and as a condition precedent to, OWNER requesting and CITY's granting of the first building permit for production units for each such Tract Map. All Infrastructure and Improvements shall be completed as required by the Subdivision Agreement/Tract Map conditions for Tract No. 20779.

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

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

4.3.4 Availability and use of Recycled Water. OWNER agrees that recycled water shall be available and utilized by OWNER for all construction-related water uses including prior to, and during, any grading of the Property.

4.4 Affordable Housing Requirement.

4.4.1 Affordable Housing- Number of Units. OWNER shall provide a minimum number of affordable housing units, equivalent to 10% of the OWNER's total

approved residential units within the Project, that are affordable to very low, low and moderate income households. Such requirement for affordable housing shall be met through one, or a combination of one or more, of the options provided in the following SectionsF 4.3.2.1 through 4.3.2.1. For the purposes of this Section, any term not defined in this Agreement shall be as defined by California Community Redevelopment Law (California Health and Safety Code Section 33000 et seq.).

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

4.4.2.1 New Construction. If OWNER elects to fully or partially satisfy the affordable housing requirement by the construction of new residential units, it shall construct and restrict the affordability of residential dwelling units within its Project or, at OWNER's option and with the approval of the City, within another project elsewhere within the City. The affordable units constructed shall be intermingled with other units as part of the Project, and shall be built to the same construction, design and aesthetic standards, as well as number of rooms, as other units constructed as part of that OWNER's Project. In addition, the percentage ratio of affordable units offered for sale versus those offered for rent shall equal the percentage ratio of other units offered for sale versus for rent within OWNER's Project. Such construction shall be completed no later than the date that is five (5) years following the issuance of the first building permit for OWNER's Project; provided however that to the extent OWNER has not constructed the required percentage of units, based on the number of building permits for non-restricted units, OWNER shall, prior to the issuance of such building permits, provide security (in the form and substance approved by the City Manager and City Attorney) to City in order to ensure the faithful completion of such required percentage of construction of affordable units. If OWNER elects the option of constructing new affordable units, a detailed Affordable Housing Agreement specifying terms for the allowable monthly housing costs or rents (as applicable) and maintenance and occupancy standards shall be prepared, executed and recorded against such units as a condition to the issuance of a building permit. The Affordable Housing Agreement shall hold a recorded priority position senior to any other non-statutory lien or encumbrance affecting the unit.

4.4.2.2 Rehabilitation. If OWNER elects to fully or partially satisfy the affordable housing requirement by the substantial rehabilitation of existing residential units in the City, it shall substantially rehabilitate and restrict the affordability of, the number of residential units specified in Section 4.4.1, provided that such units shall be provided elsewhere within the City. The

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

4.4.2.3 In-Lieu Fee. If OWNER has not fully complied with the requirements of Section 4.4.1 by providing the minimum number of affordable units through the construction of new affordable units or by the substantial rehabilitation of existing units, shall pay an "**Affordability In-Lieu Fee**". If OWNER has not provided any affordable residential units by construction or rehabilitation, the Affordability In-Lieu fee shall be equal to Three Dollars and Forty-Six Cents ($3.46) per square foot of residential development within OWNER's Project or, if pre-paid as set forth below, Three Dollars and Four Cents ($3.04) per square foot of residential development within OWNER's Project. If OWNER has partially complied with the requirements of Section 4.4.1 by construction or rehabilitation of less than the minimum number of units, then the Affordability In-lieu Fee shall be recalculated and reduced in consideration of the number and type of affordable units provided. The Affordability In-Lieu Fee shall be paid by OWNER to City no later than prior to the issuance of each building permit within OWNER's Project based on the square footage of the residential unit for which such building permit is sought; provided however that OWNER may, at OWNER's election, pre-pay such Affordability In-Lieu Fee by paying such Affordability In-Lieu Fee within thirty (30) days following the earliest discretionary approval by the City for OWNER's Project, including, but not limited to, any general plan amendment, specific plan adoption, development agreement, tentative map approval, variance, conditional use permit, or resolution of intention to form any public financing mechanism. Three Dollars and Forty-Six Cents ($3.46) Three Dollars and Four Cents ($3.04) per square foot amounts shall automatically be increased annually, commencing on July 1, 2025, and automatically each July 1 thereafter.

Such adjustment shall be based on the percentage increase (but no decrease) in the Consumer Price Index (Riverside - San Bernardino - Ontario, CA), (December 2017=100) over the preceding year. The pre-paid Affordability In-Lieu Fee shall be calculated based on the maximum floor area ratio (FAR) permitted within the General Plan and any applicable FAR contained within the applicable specific plan, whichever is greater, and the Maximum Development Density. For purposes of this Agreement, "**Maximum Development Density**" shall be determined by multiplying the OWNER's Project's density for residential development potential as set forth in the General Plan or the applicable Specific Plan, whichever is less, by the net acreage of land within OWNER's Project. All "Affordability In-Lieu Fees" collected by the City shall be used to promote the construction of affordable housing within the City.

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

4.4.2.5 Transfer of Affordable Project. No transfer of title to any affordable housing project shall occur without the prior written consent of the City. In the event OWNER transfers title to any affordable housing project required to be constructed pursuant to this Agreement to a non-profit entity, or other entity, that receives an exemption from ad valorem real property taxes, the City shall be required to assure payment of an annual in lieu fee to the City on July 1 of each year equal to one-tenth of one percent (0.1%) of the assessed value of such project. The City may permit OWNER to satisfy this obligation by recorded covenants against the property and enforceable against said entity by the City. Any such covenants shall be approved by the Planning Director and the City Attorney.

4.5 Schools Obligations.

4.5.1 Written Evidence of Compliance with Schools Obligations. OWNER shall, either through joint or individual agreements between OWNER and the applicable school district(s), shall satisfy its new school obligations. The new school obligations for the Mountain View School District in the Ontario Ranch area have been projected to include the acquisition or dedication of school sites for, and construction of, up to eight (8) schools. Of these eight (8) schools, six (6) are to be elementary (K-5) grade schools and two (2) are to be middle grade schools. The new school obligations for the Chaffey Joint Union High School

District in the Ontario Ranch area have been projected to include the dedication of a school site for, and construction of, an additional high school. The new school obligations for the applicable school district shall be met by a combination of the following: (1) designating and dedicating school site(s) within the Property as set forth in the General Plan, and/or (2) paying school impact fees, (3) entering into a joint mitigation agreement or individual mitigation agreements, or (4) any combination of the foregoing. Written evidence of approval by the applicable school district that OWNER has met their school obligations may be required by the City as the condition to the issuance by the City of any entitlements for OWNER's Project. In the event OWNER is unable to provide such written evidence from the applicable school district(s), the City shall have the right to decline to honor any DIF Credit, Certificates of MDD Availability, Certificates of Storm Water Treatment Capacity Availability, or any combination thereof, presented by such OWNER, without liability to the City. To the extent that a joint mitigation agreement is approved by the applicable school district(s), and OWNER is a participant in good standing in such mitigation agreement, OWNER shall be deemed to have mitigated its new school obligations under this Section 4.4.1.

4.6 Net MDD/Water Availability Equivalents.

4.6.1 Effectiveness of Agreement. Notwithstanding anything else set forth in this Agreement, CITY and OWNER each acknowledge, confirm, and agree, that (i) the City approval of this Agreement and (ii) the effectiveness of this Agreement, in each case, is conditioned upon OWNER's admission to NMC Builders as a "Member" thereof pursuant to the terms and conditions of the operating agreement of NMC Builders. OWNER and CITY agree that OWNER shall become a Member of NMC Builders within 30 days of the effective date of this Agreement.

4.6.1 Assigned Net MDD/Water Availability Equivalents. The City has agreed with NMC Builders LLC to reserve exclusively for Members of NMC Builders, including OWNER, Net MDD made available through the construction of water system improvements funded by NMC Builders LLC. NMC Builders has assigned to OWNER its allocable share of the Net MDD issued by City. The provisions of the Construction Agreement Amendment requires that the City shall not approval a final tract map or issue building permits or certificates of occupancy for the area of development within the New Model Colony served by the water system improvements funded by NMC Builders LLC, except to the bearer of an Assignment of Net MDD Water Availability.

4.6.2 Requirement of NMC Builders, LLC Membership as a Phase 2 Water Member. OWNER and CITY agree that OWNER's' payment to CITY required by Section 4.6.3 below represents OWNER's contribution to the funding required for the future construction of the Phase 2 Water Improvements and the availability of additional Net MDD Water Availability required for the development of the Property described in Exhibit A of this Agreement.

4.6.3 CITY issuance of Water Availability Equivalents. Within 30 days after the effectiveness of this Development Agreement OWNER shall pay or have paid to City the applicable Phase 2 Water Participation Fee. The Phase 2 Water Participation Fee shall be the calculated based on the amount of the Regional Water DIF for the applicable land use category and the square footage of the applicable buildings. The calculated amount of the Phase 2 Water Participation Fee shall be paid to City within 30 days after the effective date of this Agreement or, at OWNER's option, the Phase 2 Water Participation Fee may be paid to City in two (2) installments. The first installment shall be fifty percent (50%) of the total Phase 2 Water Participation Fee and such first installment shall be due and payable to City within 30 days after the effective date of this Development Agreement. The second installment shall be the remaining amount of the Phase 2 Water Participation Fee and such second installment shall be due and payable to City within one (1) year after the payment of the first installment, or prior to, and as a condition precedent to, the recording of any final Parcel Map for the Project, whichever occurs first. Upon OWNER's complete payment to CITY of the Phase 2 Water Participation Fee CITY shall issue a Certificate of Water Availability Equivalents in the form attached hereto as Exhibit G. Such Water Availability Equivalents Certificate shall be issued by CITY within thirty (30) days of the receipt of such required payment. CITY and OWNER agree that the amount of Water Availability Equivalents issued to OWNER shall be based on the maximum projected need for Water Availability Equivalents required for the Property based upon water demand factors and assumptions listed in Exhibit C-2R of the Phase 2 Water Amendment to the Construction Agreement "Water Demand Equivalents by Land Use" for each land use category. Additionally, within five (5) business days of CITY's receipt of OWNER's payment as required under this Section 4.6.2, CITY shall issue a certificate of DIF Credit against OWNER's DIF obligations in the Regional Water DIF Category.

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

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

4.7 Storm Water Capacity Availability.

4.7.1 Requirement for Storm Water Treatment Capacity Availability. OWNER shall provide evidence of sufficient Storm Water Treatment Capacity Availability as reserved in a Certificate of Storm Water Treatment Capacity Availability the same manner and subject to the same limitations as provided for the assignment of Certificates of Net MDD Availability in Section 4.6 of this Agreement.

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

4.7.3 Requirement for other Storm Water Improvements. The Certificate of Storm Water Treatment Capacity Availability is evidence only of available storm water treatment capacity and does not satisfy any other conditions applicable to a particular development project, including those relating to on-site water treatment, water quality, connection to the storm water collection system, or other public infrastructure requirements.

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

4.9 Compliance with Public Benefits Requirements.

4.9.1 Failure to Provide Public Benefits. In the event OWNER fails or refuses to comply with any condition referenced in Section 4.1 through 4.9, or challenges (whether administratively or through legal proceedings) the imposition of such conditions, OWNER shall be deemed in default of this Agreement pursuant to Section 8.4 hereof, thereby entitling the City to any and all remedies available to it, including, without limitation, the right of the City to withhold OWNER's Project-related building permits, certificates of occupancy, or discretionary approvals, without liability.

5. FINANCING OF PUBLIC IMPROVEMENTS.

5.1 Financing Mechanism(s). In accordance with the Memorandum of Agreement between the CITY and NMC Builders, CITY will cooperate with OWNER in the formation of a CFD, or CFDs, to include all of the Project, to provide a financing mechanism to reimburse the OWNER for funds paid to NMC Builders LLC for OWNER's share of the costs of public infrastructure pursuant to the Construction Agreement and to acquire other public facilities constructed by OWNER subject to the provisions of the Memorandum of Agreement between CITY and NMC Builders LLC. Notwithstanding such reimbursements and acquisitions, OWNER shall remain entitled to DIF Credits as provided for in Article 3 of the Construction Agreement and/or as provided for in a separate Fee Credit Agreement between CITY and OWNER. OWNER

agrees that, prior to the recordation of any Tract Map for the Property, the Property shall be included in a CFD to finance City services through annual special taxes that will initially be $1,426.38 per Single Family Detached Dwelling Unit, $1,236.46 per Multiple-Family Dwelling Unit, $1,036.38 per Gated Apartment Community Dwelling Unit, and $.26 per square foot for Non-Residential buildings. These amounts shall be subject to an automatic increase at a rate not to exceed four (4%) percent per year, unless otherwise modified by the CITY. CITY shall be the sole and exclusive lead agency in the formation of any CFD, assessment district or other public financing mechanism within the Property; provided however, that the proceeds of any such CFD, assessment district, or financing mechanism may be used, subject to restrictions that may be imposed by applicable law, for the purposes of acquiring, constructing or maintaining public facilities to be owned or operated by other public agencies, including, without limitation those facilities owned or operated by a school district. In addition to the rights of the CITY pursuant to section 5.2 hereof, CITY shall have the right, but not the obligation, to condition the formation of any CFD, assessment district or other public financing mechanism within the Property on the OWNER mitigating all Project-related impacts to the applicable school district(s) as required by such school district(s). Written evidence by such school district(s) may be required by the CITY as the condition to the formation of any CFD, assessment district or other public financing mechanism within the Property, or any steps preliminary thereto, including, without limitation, the adoption of any resolution of intention to form such CFD, assessment district or other public financing mechanism within the Property. It is not the intent of the parties hereto, by this provision, to prohibit or otherwise limit the City's ability to take any and all necessary steps requisite to the formation of the CFD to finance City services through annual special taxes as set forth in this Section 5.1. Formation of any CFD, assessment district or other public financing mechanism within the Property, shall be subject to CITY's ability to make all findings required by applicable law and complying with all applicable legal procedures and requirements including, without limitation, CITY's public financing district policies as such policies may be amended from time to time. Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring CITY or the City Council to form any such district or to issue and sell bonds.

6. REVIEW FOR COMPLIANCE.

6.1 Periodic and Special Reviews.

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

notice of non-compliance and a notice of CITY's intent to conduct a Special Review pursuant to Sections 6.1.2 through 6.1.6. Issuance of a notice of continuing compliance may be issued by the City Manager or his designee.

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

(1) Recommendation of the Planning staff;

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

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

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

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

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

6.1.6 Procedure Upon Findings.

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

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

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

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

(a) The time and place of the hearing;

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

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

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

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

7. [RESERVED]

8. DEFAULT AND REMEDIES.

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

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

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

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

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

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

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

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

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

8.4 Termination or Modification of Agreement for Default of OWNER. Subject to the provisions contained in Subsection 6.3 herein, CITY may terminate or modify this Agreement for any failure of OWNER to perform any material duty or obligation of OWNER under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as “default”); provided, however, CITY may terminate

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

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

9. THIRD PARTY LITIGATION.

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

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

9.3 Indemnity. In addition to the provisions of 9.2 above, OWNER shall indemnify and hold CITY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (OWNER's employees

included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of CITY. OWNER shall defend, at its expense, including attorneys' fees, CITY, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. CITY may in its discretion participate in the defense of any such legal action.

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

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

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

10. MORTGAGEE PROTECTION.

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

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

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

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

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

11. MISCELLANEOUS PROVISIONS.

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

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

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Section 4 of this Agreement, including the payment of the fees set forth therein, are essential elements of this Agreement and CITY would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

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

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

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

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

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

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

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

11.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force), government regulations, court actions (such as restraining orders or injunctions), or other causes beyond the party's control. If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years.

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

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

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

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

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

11.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the

conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement. The City Manager may delegate his powers and duties under this Agreement to an Assistant City Manager or other management level employee of the CITY.

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

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

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

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

entity and warrants and represents that he or she/they has/have the authority to bind OWNER to the performance of its obligations hereunder.

11.22 Prevailing Wage. OWNER, for itself, its successors, and assigns, agrees, covenants, and warrants that the development of the Property, if any, shall comply with all applicable federal and state labor laws (including, without limitation, the requirement under California law to pay prevailing wages and hire apprentices), and all obligations as set forth herein.

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

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

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

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

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

_____
(Owner's Initials)

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

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

SIGNATURE PAGE
TO DEVELOPMENT AGREEMENT FILE NO. PDA25-004

"OWNER"

SLV LC Center LLC
a Florida limited liability company
HCW LC Center LLC
a Florida limited liability company

Strack Farms Land LLC
a Delaware limited liability company

RHV Edison Ave LLC
a Florida limited liability company

MV Edison Ave LLC
a Florida limited liability company

EPC Holdings 938 LLC
a Washington limited liability company

By: _____
John Troutman
Vice President

Date: _____

"CITY"
CITY OF ONTARIO

By:_____
Scott Ochoa
City Manager

Date: _____

ATTEST:

_____
City Clerk, Ontario

APPROVED AS TO FORM:
BEST BEST KRIEGER, LLP

_____
City Attorney

ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA)
COUNTY OF_____)

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

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

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

WITNESS my hand and official seal.

Signature_____
Signature of Notary Public

Place Notary Seal Above

ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA)
COUNTY OF_____)

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

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

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

WITNESS my hand and official seal.

Signature_____
Signature of Notary Public

Place Notary Seal Above

EXHIBIT "A"
TO DEVELOPMENT AGREEMENT

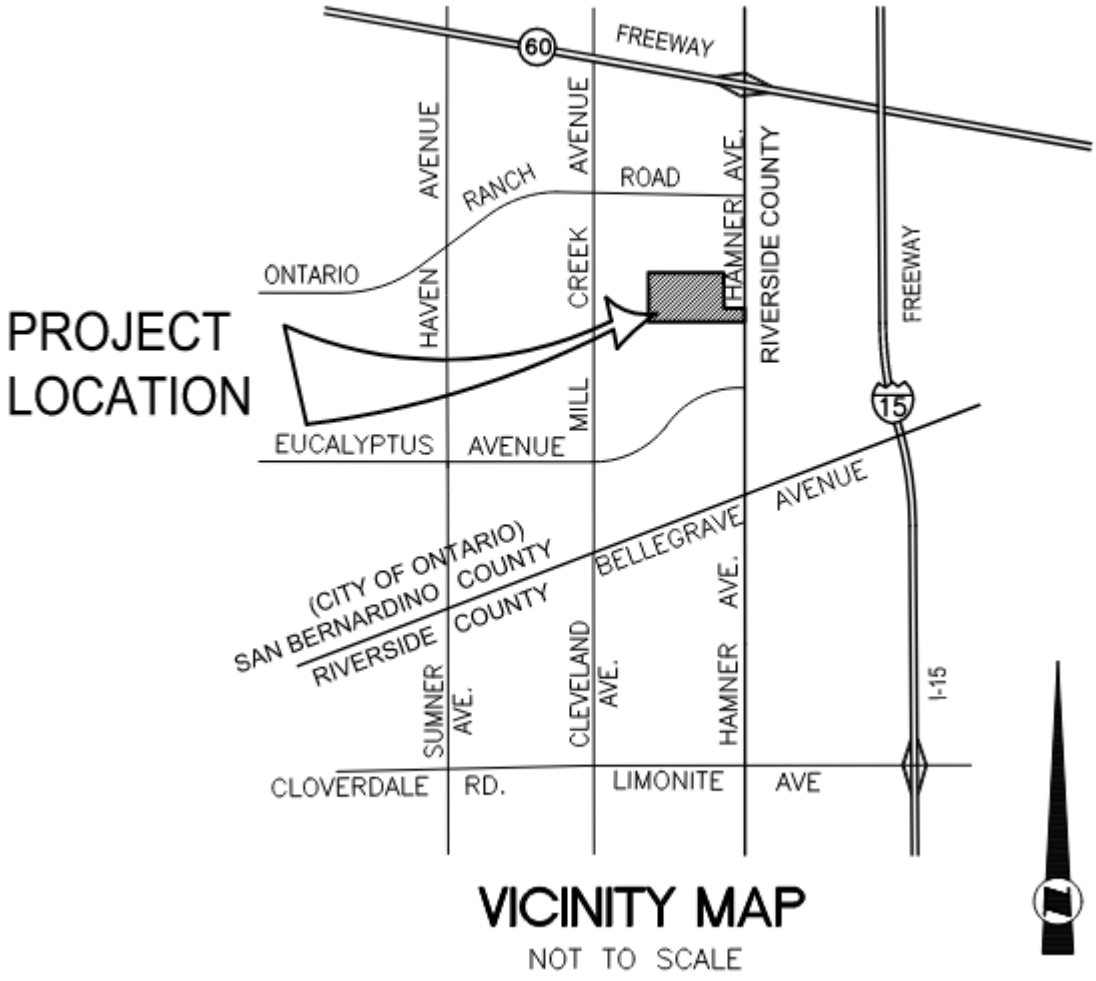
Legal Description of Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ONTARIO, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:
PARCEL 1:
PARCEL A OF LOT LINE ADJUSTMENTS NO. LLA 22-024 RECORDED MAY 10, 2023 AS INSTRUMENT NO. 2023-0113164 OF OFFICIAL RECORDS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:
THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ONTARIO COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, BEING A PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 13, TOWNSHIP 2 SOUTH, RANGE 7 WEST, SAN BERNARDINO BASE AND MERIDIAN, MORE PARTICULARLY Y DESCRIBED BELOW:
COMMENCING AT THE NORTHEAST CORNER OF SECTION 13 AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 139, PAGES 66 THROUGH 70, RECORDS OF SURVEY OF SAID COUNTY, SAID CORNER ALSO BEING THE INTERSECTION OF THE CENTERLINES OF SCHAFFER AVENUE AND HAMNER AVENUE; THENCE SOUTH 00°19’17" EAST ALONG THE CENTERLINE OF HAMNER AVENUE, 30 FOOT HALF WIDTH, A DISTANCE OF 1,987.75 FEET;THENCE SOUTH 89°40'43" WEST TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF SAID HAMNER AVENUE, A DISTANCE OF 30.00 FEET; THENCE SOUTH 00°19’17" EAST ALONG SAID WESTERLY RIGHT-OF-WAY, A DISTANCE OF 478.19 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89°58'36" WEST, A DISTANCE OF 277.94 FEET;
THENCE NORTH 00°05'44" WEST, A DISTANCE OF 479.31 FEET TO A POINT IN THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 13;
THENCE NORTH 89°44'35" WEST, A DISTANCE OF 1,016.39 FEET TO THE NORTHWEST CORNER OF THE SOUTH HALF OF THE SOUTH HALF OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 13;
THENCE SOUTH 00°18'27" EAST, ALONG THE WEST LINE OF THE SOUTH HALF OF THE SOUTH HALF OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 13, A DISTANCE OF 661.14 FEET TO A POINT IN THE CENTERLINE OF EDISON AVENUE;
THENCE SOUTH 89°40'34" EAST, ALONG SAID CENTERLINE, A DISTANCE OF 1,292.62 FEET TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF SAID HAMNER AVENUE; THENCE NORTH 00°19'17" WEST, ALONG SAID

WESTERLY RIGHT OF WAY, A DISTANCE OF 184.45 FEET TO THE POINT OF BEGINNING. ALSO EXCEPTING THEREFROM ALL RIGHTS TO MINERALS, OIL AND HYDROCARBONS, OR GAS LYING BELOW A DEPTH OF 500 FEET, PROVIDED FURTHER THAT GRANTOR SHALL HAVE NO RIGHTS OF SURFACE ENTRY OR INGRESS OR EGRESS FROM PROPERTY DESCRIBED HEREIN, AS RESERVED IN DEED RECORDED JUNE 14, 1956, IN BOOK 3962, PAGE 569, OFFICIAL RECORDS.
APN: 0218-211-40-0-000

EXHIBIT "B"
TO DEVELOPMENT AGREEMENT

Map showing Property and its location



VICINITY MAP

NOT TO SCALE

EXHIBIT "C"
TO DEVELOPMENT AGREEMENT

Existing Development Approvals

On October 23, 2007 the Planning Commission:

a) Issued Resolution No. PC07-125 recommending City Council certification of the Rich-Haven Specific Plan EIR (SCH#2006051081).
b) Issued Resolution No. PC07-127 recommending to City Council approval of the Rich-Haven Specific Plan (File No. PSP05-004).

On December 4, 2007, the City Council:

a) Issued Resolution No. 2007-145 certifying the Rich-Haven Specific Plan EIR (SCH#2006051081).
b) Adopted Ordinance No. 2884 approving the Rich-Haven Specific Plan.

On February 23, 2016, the Planning Commission:

a) Issued Resolution No. PC16-003 recommending City Council adoption of an Addendum to the Rich-Haven Specific Plan EIR (SCH#2006051081) and The Ontario Plan EIR (SCH#2008101140).
b) Issued Resolution PC16-004 recommending approval of the Rich-Haven Specific Plan Amendment (File No. PSPA16-001).

On March 15, 2016, the City Council:

a) Issued Resolution No. 2016-024 for the adoption of an Addendum (File No. PSPA16-001) to the Rich-Haven Specific Plan EIR.
b) Issued Resolution No. 2016-025 approving an Amendment (File No. PSPA16-001) to the Rich-Haven Specific Plan EIR (SCH#2006051081) and The Ontario Plan EIR (SCH#2008101140).

On January 23, 2018, the Planning Commission:

a) Issued Resolution No. PC18-014 recommending City Council adoption of an Addendum to The Ontario Plan EIR (SCH#2008101140).
b) Issued Resolution No. PC18-015 recommending City Council adoption of the Rich-Haven Specific Plan Amendment (File No. PSPA16-005).

On February 20, 2018, the City Council:

a) Issued Resolution No. 2018-017 for the adoption of an Addendum (File No. PSPA16-005) to The Ontario Plan EIR (SCH#2008101140).
b) Issued Resolution No. 2018-018 approving an Amendment (File No. PSPA16-005) to the Rich-Haven Specific Plan.

On May 23, 2023, the Planning Commission:

a) Issued Resolution No. PC23-042 recommending City Council adoption of an Environmental Impact Report (State Clearinghouse No. 2022100425) in conjunction with File No. PSPA22-001 for the Rich Haven Specific Plan Amendment.
b) Issued Resolution No. PC23-043 recommending City Council adoption of the Rich-Haven Specific Plan Amendment (File No. PSPA22-001).

On June 20,2023, the City Council:

a) Issued Resolution No. 2023-060 approving an Environmental Impact Report (State Clearinghouse No. 2022100425) in conjunction with File No. PSPA22-001 for the Rich Haven Specific Plan Amendment.
b) Issued Resolution No. 2023-061 approving the Rich-Haven Specific Plan Amendment (File No. PSPA22-001).

EXHIBIT "D"
TO DEVELOPMENT AGREEMENT

Existing Land Use Regulations

These documents are listed for reference only:

1. The Rich-Haven Specific Plan (File No. PSP05-004) Environmental Impact Report, Resolution No. 2007-145.

2. The Rich-Haven Specific Plan (File No. PSP05-004), Ordinance No. 2884.

3. Addendum to the Rich-Haven Specific Plan (File No. PSPA16-001) Environmental Impact Report, Resolution No. 2016-024.

4. Amendment to the Rich-Haven Specific Plan (File No. PSPA16-001), Resolution No. 2016-025.

5. Addendum to the Rich-Haven Specific Plan (File No. PSPA16-005) Environmental Impact Report, Resolution No. 2018-017.

6. Amendment to the Rich-Haven Specific Plan (File No. PSPA16-005), Resolution No. 2018-018.

7. The Rich-Haven Specific Plan Amendment (File No. PSP22-001) Environmental Impact Report (State Clearinghouse No. 2022100425), Resolution No. 2023-060.

8. Amendment to the Rich-Haven Specific Plan (File No. PSPA22-001), Resolution No. 2023-061.

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

EXHIBIT "E"
TO DEVELOPMENT AGREEMENT

Description of Required Infrastructure Improvements

OWNER shall design, construct, and complete the following Street (ST), Sewer (SW), Storm Drain (SD), Potable Water (PW), Recycled Water (RW), and Fiber Optic (FO) improvements, prior to OWNER's request for building permits for Production Units.

STREETS (ST)

a. Last lane improvements on Hamner Avenue along the project frontage
b. Last lane improvements on Hamner Avenue along the N.A.P. (218-211-41) parcel.
c. East side of Clifton Avenue improvements, including chockers, ADA curb ramps, and sidewalk.

FIBER OPTICS (FO)

a. FO improvements on 'D' Street from Ladybug Paseo to 'A' Street
b. FO improvements on A' Street from 'B' Street to 'D' Street
c. FO improvements on 'B' Street from the northern to southern project boundaries
d. FO improvements on 'C' Street from 'B' Street to 'D' Street
e. FO improvements on Ladybug Paseo from Orchid Paseo to Hamner Avenue
f. FO improvements on Hamner Avenue along the project frontage

SEWER (SW)

a. SW improvements on 'A' Street from Clifton Avenue to 'D' Street
b. SW improvements on 'B' Street from the northern to southern project boundaries
c. SW improvements on 'C' Street from 'B' Street to 'D' Street
d. SW improvements on Orchid Paseo extending north in 'D' Street to south of 'A' Street
e. Proposed SW required to support project in Clifton Avenue, to Eucalyptus Avenue, to Mill Creek Avenue, to point of accepted SW in Bellegrave Avenue

f. Proposed SW required to support project in Orchid Paseo continuing downstream within TM-20451, to Clifton Avenue, to Eucalyptus Avenue, to Mill Creek Avenue, to point of accepted SW in Bellegrave Avenue

POTABLE WATER (PW)

a. PW improvements on ‘D’ Street from Ladybug Paseo to ‘C’ Street
b. PW improvements on ‘A’ Street from ‘D’ Street to Clifton Avenue
c. PW improvements on ‘B’ Street from the northern to southern project boundaries
d. PW improvements on ‘C’ Street from ‘B’ Street to ‘D’ Street
e. Proposed PW is required to support project in Clifton Avenue connecting to Almond Blossom Street, to Mill Creek Avenue, to the point of accepted PW in Ontario Ranch Road.
f. Proposed PW is required to support project in Ladybug Paseo to the point of Accepted PW in Hamner Avenue

RECYCLED WATER (RW)

a. Proposed RW is required to support project in Ladybug Paseo to the point of Accepted RW in Hamner Avenue

STORM DRAIN (SD)

a. SD improvements on ‘A’ Street from ‘B’ Street to ‘D’ Street
b. SD improvements on ‘C’ Street from ‘B’ Street to ‘D’ Street
c. SD improvements on ‘D’ Street from ‘C’ Street to Ladybug Paseo
d. SD improvements within PUE from ‘D’ Street to Hamner Avenue

EXHIBIT "F"
TO DEVELOPMENT AGREEMENT

Depiction of Required Infrastructure Improvements

(SEE ATTACHED EXHBITS)

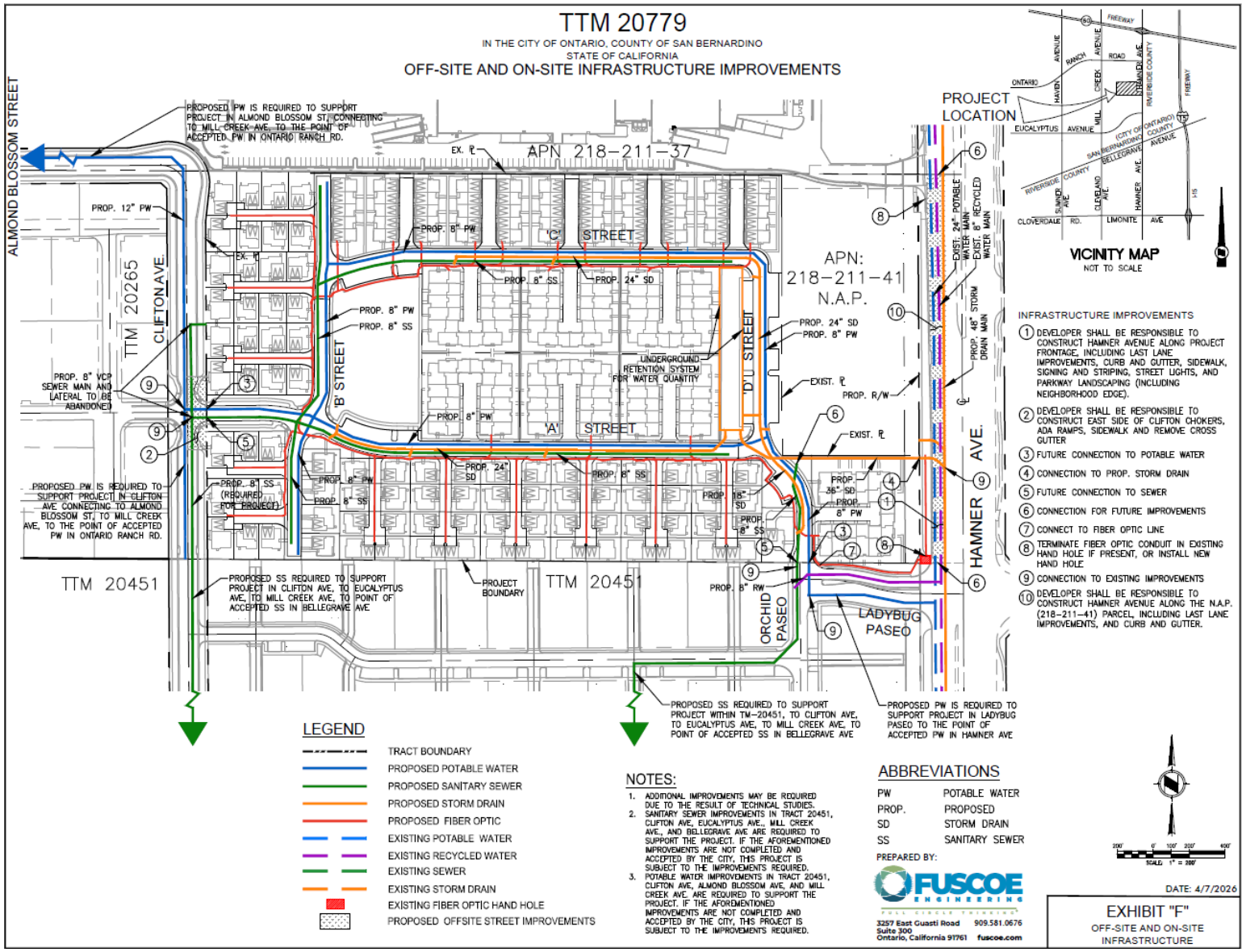

TTM 20779
IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO
STATE OF CALIFORNIA
OFF-SITE AND ON-SITE INFRASTRUCTURE IMPROVEMENTS
ALMOND BLOSSOM STREET
PROPOSED PW IS REQUIRED TO SUPPORT PROJECT IN ALMOND BLOSSOM ST, CONNECTING TO MILL CREEK AVE, TO THE POINT OF ACCEPTED PW IN ONTARIO RANCH RD.
EX. ℄
APN 218-211-37
PROP. 12" PW
TTM 20265
CLIFTON AVE.
PROP. 8" PW
'C' STREET
PROP. 8" SS
PROP. 24" SD
PROP. 8" PW
PROP. 8" SS
'B' STREET
'D' STREET
UNDERGROUND RETENTION SYSTEM FOR WATER QUANTITY
APN: 218-211-41 N.A.P.
EXIST. 24" POTABLE WATER MAIN
EXIST. 8" RECYCLED WATER MAIN
PROP. 24" SD
PROP. 8" PW
PROP. 48" STORM DRAIN MAIN
EXIST. ℄
PROP. R/W
PROP. 8" VCP SEWER MAIN AND LATERAL TO BE ABANDONED
'A' STREET
EXIST. ℄
HAMNER AVE.
PROP. 24" SD
PROP. 8" SS
PROP. 8" PW
PROP. 8" SS
PROP. 8" PW
PROP. 8" SS (REQUIRED FOR PROJECT)
PROP. 8" PW
PROP. 8" SS
PROP. 24" SD
PROP. 8" SS
PROP. 18" SD
PROP. 8" SS
PROP. 36" SD
PROP. 8" PW
PROPOSED PW IS REQUIRED TO SUPPORT PROJECT IN CLIFTON AVE CONNECTING TO ALMOND BLOSSOM ST, TO MILL CREEK AVE, TO THE POINT OF ACCEPTED PW IN ONTARIO RANCH RD.
TTM 20451
PROPOSED SS REQUIRED TO SUPPORT PROJECT IN CLIFTON AVE, TO EUCALYPTUS AVE, TO MILL CREEK AVE, TO POINT OF ACCEPTED SS IN BELLEGRAVE AVE
PROJECT BOUNDARY
TTM 20451
PROP. 8" RW
ORCHID PASEO
LADYBUG PASEO
PROPOSED SS REQUIRED TO SUPPORT PROJECT WITHIN TM-20451, TO CLIFTON AVE, TO EUCALYPTUS AVE, TO MILL CREEK AVE, TO POINT OF ACCEPTED SS IN BELLEGRAVE AVE
PROPOSED PW IS REQUIRED TO SUPPORT PROJECT IN LADYBUG PASEO TO THE POINT OF ACCEPTED PW IN HAMNER AVE
PROJECT LOCATION
VICINITY MAP
NOT TO SCALE
INFRASTRUCTURE IMPROVEMENTS
1 DEVELOPER SHALL BE RESPONSIBLE TO CONSTRUCT HAMNER AVENUE ALONG PROJECT FRONTAGE, INCLUDING LAST LANE IMPROVEMENTS, CURB AND GUTTER, SIDEWALK, SIGNING AND STRIPING, STREET LIGHTS, AND PARKWAY LANDSCAPING (INCLUDING NEIGHBORHOOD EDGE).
2 DEVELOPER SHALL BE RESPONSIBLE TO CONSTRUCT EAST SIDE OF CLIFTON CHOKERS, ADA RAMPS, SIDEWALK AND REMOVE CROSS GUTTER
3 FUTURE CONNECTION TO POTABLE WATER
4 CONNECTION TO PROP. STORM DRAIN
5 FUTURE CONNECTION TO SEWER
6 CONNECTION FOR FUTURE IMPROVEMENTS
7 CONNECT TO FIBER OPTIC LINE
8 TERMINATE FIBER OPTIC CONDUIT IN EXISTING HAND HOLE IF PRESENT, OR INSTALL NEW HAND HOLE
9 CONNECTION TO EXISTING IMPROVEMENTS
10 DEVELOPER SHALL BE RESPONSIBLE TO CONSTRUCT HAMNER AVENUE ALONG THE N.A.P. (218-211-41) PARCEL, INCLUDING LAST LANE IMPROVEMENTS, AND CURB AND GUTTER.
LEGEND
TRACT BOUNDARY
PROPOSED POTABLE WATER
PROPOSED SANITARY SEWER
PROPOSED STORM DRAIN
PROPOSED FIBER OPTIC
EXISTING POTABLE WATER
EXISTING RECYCLED WATER
EXISTING SEWER
EXISTING STORM DRAIN
EXISTING FIBER OPTIC HAND HOLE
PROPOSED OFFSITE STREET IMPROVEMENTS
NOTES:
1. ADDITIONAL IMPROVEMENTS MAY BE REQUIRED DUE TO THE RESULT OF TECHNICAL STUDIES.
2. SANITARY SEWER IMPROVEMENTS IN TRACT 20451, CLIFTON AVE, EUCALYPTUS AVE., MILL CREEK AVE., AND BELLEGRAVE AVE ARE REQUIRED TO SUPPORT THE PROJECT. IF THE AFOREMENTIONED IMPROVEMENTS ARE NOT COMPLETED AND ACCEPTED BY THE CITY, THIS PROJECT IS SUBJECT TO THE IMPROVEMENTS REQUIRED.
3. POTABLE WATER IMPROVEMENTS IN TRACT 20451, CLIFTON AVE, ALMOND BLOSSOM AVE, AND MILL CREEK AVE. ARE REQUIRED TO SUPPORT THE PROJECT. IF THE AFOREMENTIONED IMPROVEMENTS ARE NOT COMPLETED AND ACCEPTED BY THE CITY, THIS PROJECT IS SUBJECT TO THE IMPROVEMENTS REQUIRED.
ABBREVIATIONS
PW POTABLE WATER
PROP. PROPOSED
SD STORM DRAIN
SS SANITARY SEWER
PREPARED BY:
FUSCOE ENGINEERING
3257 East Guasti Road Suite 300 Ontario, California 91761
909.581.0676
fuscoe.com
DATE: 4/7/2026
EXHIBIT "F"
OFF-SITE AND ON-SITE INFRASTRUCTURE

EXHIBIT "G"
TO DEVELOPMENT AGREEMENT

FORM OF CERTIFICATE OF NET MDD AVAILABILITY

Pursuant to Section ___ of this Agreement between the City of Ontario, a California municipal corporation, and _____, a _____ company, hereinafter called "OWNER", the terms and definitions of which are hereby incorporated herein by this reference and hereinafter called "Agreement", the City of Ontario hereby certifies based on CITY receipt of payment of OWNER's share of the funding for the Phase 2 Water Improvements, that OWNER is entitled to the following Net MDD Water Availability.

Amount of Net MDD _____ gpm

_____
Scott Ochoa, City Manager

Dated:_____

EXHIBIT "H"
TO DEVELOPMENT AGREEMENT

FORM OF CERTIFICATE OF REGIONAL DIF CREDIT

Pursuant to Section 4.5.2 of this Agreement by and between the City of Ontario and _____, dated _____, 202_, the terms and definitions of which are hereby incorporated herein by this reference and hereinafter called the "Development Agreement', the City of Ontario hereby certifies that OWNER is entitled to the following amount and nature of DIF Credits in the Regional Water DIF Infrastructure Category:

Amount of Credit: $_____

_____
Scott Ochoa, City Manager

Dated:_____

Exhibit "I-1"

ONTARIO RANCH
WATER SUPPLY PHASING PLAN

Phase 2	Water Availability Equivalency	Estimated Net MDD Available[1]
Phase 2 A		
Supply & Storage		
1. 1 - Additional Ground Water Well and Collection lines - Design and Construction	8,250 gpm[2]	**7,750 gpm**[2]
Pipelines (Transmission & Distribution)[2]		
2. 925 Zone Transmission lines – Design and Construction		
3. Temporary Pressure Reducing Station[3] – Design and Construction		
Phase 2B		
Supply & Storage		
4. 1 – Additional Ground Water Well and Collection lines – Design and Construction	10,500 gpm[2]	**9,860 gpm[2]**
5. 1 – 6 million gallon Reservoir – 925 Zone – Design and Construction		

(1) Upon Completion of the construction of all of the improvements described for each Phase a Certificate of Net MDD Availability shall be issued to Developer for the corresponding amount of Net MDD. Net MDD means the maximum daily demand on the potable water supply, net of the water requirements for public schools and parks. The Water Availability Equivalency includes the estimated requirements for public schools and parks. The amount of Net MDD specified is the cumulative amount for which building permits may be issued upon funding of the corresponding and all preceding Phases of improvements.

(2) The ability of a particular development to utilize Net MDD assigned to it by the Developer will require the completion of design and construction of Master-planned potable and recycled water transmission and distribution pipelines for the respective pressure zone. Other factors may include its location, the particular land use and Water Availability Equivalents assigned to it as specified in Exhibit C-2.

(3) Pressure reducing stations are a component of the pipeline transmission and distribution system.

EXHIBIT "I-2"

Available Water Supply - See Exhibit C-1R for Net MDD Available

Table A - Water Demand Equivalents By Land Use

The Ontario Plan	Potable Water			Recycled Water	
Land Use	Water Demand Factor (ADD)		Water Demand Equivalents (WDE)[2]	Recycled Water Demand Factor[1] (ADD)	Recycled Water Demand Of Total Water Demand
	(gpd/du)	(gpd/ac)	(gpm/unit)	(gpd/ac)	(%)
Detached Dwellings (less than 5 units per acre)	544		0.57	900	28%
Detached or Attached Dwellings (between 5 and 11 units per acre)	464		0.48	1,000	21%
Attached Dwellings (between 11 and 25 units per acre)	323		0.34	1,500	18%
High Density Dwellings (25+ units per acre)	152		0.16	1,500	27%
Commercial Lodging	150		0.16	1,700	50%
Retail/Services Uses		2,200	2.29	2,300	51%
Office Uses		3,400	3.54	2,300	40%
Business Park Uses		2,200	2.29	2,200	50%
Industrial Uses		2,000	2.08	2,200	52%
Institutional Use		2,200	2.29	1,600	42%
Parks		1,000	1.04	1,400	58%
Schools		3,500	3.65	1,600	31%

[1]Recycled Water Demands include irrigation for right-of-way (medians and parkways), neighborhood edge, pocket parks, and common areas.

[2] The WDE is based on the Maximum Day Demand (MDD) with a peaking factor of 1.5 in the NMC for all land use categories.

Table B - Example Water Supply Calculation

Land Use	Acres[1] (gross)	Residential Units	WDE Factor (gpm)	Potable MDD (gpm)	Recycled Water ADD (gpm)
Development					
Detached Dwellings (less than 5 units per acre)	1,284	5,061	0.57	2,868	803
Detached or Attached Dwellings (between 5 and 11 units per acre)	369	2,530	0.48	1,223	256
Attached Dwellings (between 11 and 25 units per acre)	194	3,410	0.34	1,147	202
Retail/Services Uses (per acre)[2]	104		2.29	239	166
TOTAL	**1,950**	**11,001**		**5,477**	**1,428**

Three (3) Wells Are required to Support this example, assuming each well produces 2,000 gpm and connection to the Recycled Water System maximizing Recycled Water Use.

[1] Residential Acres are estimated based on the weighted average derived from the average number of units per land use category.

[2] Commercial acreage is calculated from a total square footage of 1,361,000 SF with an average Floor to Area Ratio (FAR) of 0.30 for commercial services in The Ontario Plan.

Exhibit "J"

Form of Plume Disclosure Letter

CITY OF ONTARIO

ONTARIO MUNICIPAL UTILITIES COMPANY

PAUL S. LEON
MAYOR

DEBRA DORST-PORADA
MAYOR PRO TEM

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

AL C. BOLING
CITY MANAGER

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

SCOTT BURTON
UTILITIES GENERAL MANAGER

March 2017

DISCLOSURE NOTICE
SOUTH ARCHIBALD TRICHLOROETHYLENE PLUME

Dear Property Owner/Developer/Applicant:

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

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

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

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

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

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

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**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: 27

SUBJECT: **A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 77 (THE RESORT AT ONTARIO RANCH FACILITIES); ADOPTION OF A RESOLUTION DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS; 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. 77 (The Resort at Ontario Ranch Facilities), 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 deeming it necessary for the district to incur bonded indebtedness within Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities);
C. Adopt a Resolution calling a special election for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities);
D. Adopt a Resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien;
E. Introduce and waive further reading of an Ordinance levying special tax within City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities);
F. Adopt a Resolution authorizing the execution and delivery of an acquisition and funding agreement with SL Ontario Development Company, LLC ("SLODC"); and
G. Adopt a Resolution making a declaration of official intent to reimburse expenditures for costs of facilities with bond proceeds and related actions.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods

Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: Mello-Roos financing in The Resort at Ontario Ranch Facilities residential development is projected to generate approximately $11.5 million in bond proceeds to be used to fund a portion of the public infrastructure improvements needed to serve the project. Bonds issued pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Mello-Roos Act") are not a direct obligation of the City. Such bonds are paid from special taxes levied on taxable parcels located within the boundaries of the community facilities district. Accordingly, there is no fiscal impact on the General Fund from the issuance of Mello-Roos bonds. City Council approval will be required to process annual special tax levies in future years.

BACKGROUND & ANALYSIS: The Mello-Roos Community Facilities Act of 1982 provides local government, with requisite vote of the qualified electors, the authority to establish community facilities districts for the purpose of levying special taxes to finance various kinds of public infrastructure facilities. Under the Mello-Roos Act, the initial steps in the formation of a community facilities district to finance public improvements through the issuance of Mello-Roos bonds are to adopt Resolutions declaring the intention to establish a community facilities district, authorize the levy of special tax, and issue bonds. Accordingly, on April 7, 2026, the City Council approved Resolution No. 2026-018, a Resolution of Intention to establish City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) and authorize the levy of special taxes; and Resolution No. 2026-019 declaring the City Council's intention to issue bonds for the district. The Resolution of Intention set the public hearing date for the regularly scheduled City Council meeting on May 19, 2026, to consider formation matters. Due to the cancellation of the May 19, 2026, City Council meeting, the public hearing was scheduled for June 2, 2026.

In the First Amended and Restated Agreement for the Financing and Construction of Limited Infrastructure Improvements to Serve an Easterly Portion of the New Model Colony ("First Amended and Restated Construction Agreement") between the City of Ontario and NMC Builders, LLC, the City agreed to cooperate with the members of NMC Builders, LLC in the formation of community facilities districts to assist in the financing of the public improvements included in the agreement. The Resort at Ontario Ranch Facilities project is approximately 18.19 gross acres located south of Eucalyptus Avenue, north of Parkview Street, west of Cleveland Avenue, and east of Haven Avenue. At build-out, the project is expected to include 331 residential units consisting of 116, 3-story attached homes, 100, 2-story detached homes, and 115, 3-story detached homes.

Included, as part of the Resolution of Formation is the proposed Rate and Method of Apportionment of Special Tax for the District. Under the proposed Rate and Method of Apportionment, the portion of the maximum annual special tax rates which will be used to fund debt service payments on the bonds is fixed and will not increase over time. As proposed, the amount of bonds authorized for the district ($45 million) is set intentionally higher than the current estimated bond amount ($11.5 million) in order to allow future City Council the option, without increasing the amount of the annual special taxes, to issue additional bonds to replace and/or construct new public infrastructure improvements in the future, or to fund municipal services. The

term and structure of the Rate and Method of Apportionment of Special Tax for The Resort at Ontario Ranch Facilities 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 six 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 deeming it necessary to incur bonded indebtedness for the district. The third attached Resolution calls for a special landowner election to be held on June 2, 2026. The fourth 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 fifth attached Resolution authorizes the acquisition and funding agreement. The sixth Resolution declares the intent to reimburse facilities expenditures with bond proceeds and related actions. 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. 77 (THE RESORT AT ONTARIO RANCH FACILITIES), 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 April 7, 2026, 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. 77 (The Resort at Ontario Ranch Facilities) 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. 77 (The Resort at Ontario Ranch Facilities) (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 public facilities and 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, City Council fixed Tuesday, May 19, 2026, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, as the time when the City Council will conduct the public hearing on the establishment of the Community Facilities District; and

WHEREAS, the May 19, 2026 City Council meeting was cancelled and reconvened on the next regular date and the public hearing on the establishment of the Community Facilities District has been continued to this meeting, as the next regular City Council meeting; and

WHEREAS, pursuant to the Resolution of Intention, notice of said public hearing on this date was timely 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 public facilities or 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 public facilities and 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 public facilities and services; such officers were also directed to estimate the fair and reasonable cost of the public facilities proposed to be purchased as completed public facilities and 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 public facilities and services was heard; and

WHEREAS, written protests against the establishment of the Community Facilities District, the furnishing of any specified type or types of facilities and 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 April 14, 2026, 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; and

WHEREAS, Section 53314.9 of the Act provides that, at any time either before or after the formation of a community facilities district, the legislative body may accept advances of funds from any source, including, but not limited to, private persons or private entities and may provide, by resolution, for the use of those funds for any authorized purpose, including, but not limited to, paying any cost incurred by the local agency in creating a community facilities district; and

WHEREAS, Section 53314.9 of the Act further provides that the legislative body may enter into an agreement, by resolution, with the person or entity advancing the funds, to repay all or a portion of the funds advanced, as determined by the legislative body, with or without interest, under all the following conditions: (a) the proposal to repay the funds is included in both the resolution of intention to establish a community facilities district adopted pursuant to Section 53321 of the Act and in the resolution of formation to establish a community facilities district pursuant to Section 53325.1 of the Act, (b) any proposed special tax is approved by the qualified electors of the community facilities district pursuant to the Act, and (c) any agreement shall specify that if the qualified electors of the community facilities district do not approve the proposed special tax, the local agency shall return any funds which have not been committed for any authorized purpose by the time of the election to the person or entity advancing the funds; and

WHEREAS, the City and SL Ontario Development Company, LLC ("SLODC"), have entered into the Deposit and Reimbursement Agreement, dated as of May 1, 2025 (the "Deposit Agreement"), that provides for the advancement of funds by SLODC to be used to pay costs incurred in creating the Community Facilities District and the incurrence of bonded indebtedness thereby, and provides for the repayment to SLODC of such funds advanced, without interest, from the proceeds of any such bonded indebtedness incurred by the Community Facilities District; and

WHEREAS, the City desires to include in this Resolution, in accordance with Section 53314.9 of the Act, the proposal to repay funds pursuant to the Deposit Agreement;

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. 77 (The Resort at Ontario Ranch Facilities)."

SECTION 4. The public facilities (the "Facilities") proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption "Facilities" on Exhibit A hereto, which is by this reference incorporated herein. Those Facilities proposed to be purchased as completed public facilities are identified under the caption "Facilities to be Purchased" on Exhibit A hereto. 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. All or any portion of the Facilities may be financed through a financing plan, including, but not limited to, a lease, lease-purchase or installment-purchase arrangement.

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 Facilities and 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 conditions under which the obligation

to pay the Special Tax to be levied to pay for Facilities may be prepaid and permanently satisfied are specified in the Rate and Method. 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. Bonds of the Community Facilities District may not be issued to fund any of the Services.

SECTION 8. The tax year after which no further Special Tax to pay for Facilities shall be levied against any parcel used for private residential purposes is specified in the Rate and Method. Under no circumstances shall the Special Tax to pay for Facilities in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the Community Facilities District by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. For purposes of this paragraph, a parcel shall be considered "used for private residential purposes" not later than the date on which an occupancy permit for private residential use is issued. The Special Tax to pay for Services will be levied in perpetuity, as provided in the Rate and Method.

SECTION 9. Pursuant to Section 53344.1 of the Act, the City Council hereby reserves to itself the right and authority to allow any interested owner of property within the Community Facilities District, subject to the provisions of said Section 53344.1 and to those conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the Community Facilities District treasurer in full payment or part payment of any installment of the Special Tax or the interest or penalties thereon that may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

SECTION 10. 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 11. 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 prepaid, permanently satisfied and 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 12. The boundary map of the Community Facilities District has been recorded in San Bernardino County in Book 92 at Page 95 of Maps of Assessments and Community Facilities Districts in the San Bernardino County Recorder's Office (Document No. 2026-0092084).

SECTION 13. 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 $45,000,000.

SECTION 14. 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 April 14, 2026, 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 15. SLODC has heretofore advanced certain funds, and may advance additional funds, that have been or may be used to pay costs incurred in creating the Community Facilities District and the incurrence of bonded indebtedness thereby. The City Council has previously approved the acceptance of such funds for the purpose of paying costs incurred in creating the Community Facilities District and the incurrence of bonded indebtedness thereby. The City Council proposes to repay SLODC all or a portion of such funds so advanced, without interest, solely from the proceeds of any such bonded indebtedness incurred by the Community Facilities District, pursuant to the Deposit Agreement. The Deposit Agreement is hereby incorporated herein as though set forth in full herein.

SECTION 16. 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 17. 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 18. 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 19. 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 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

FACILITIES, SERVICES AND INCIDENTAL EXPENSES

Facilities

The types of public facilities to be financed by the Community Facilities District are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, park and recreation facilities and equipment, aquatic facilities and equipment, fire facilities and equipment, police facilities and equipment, library facilities and equipment, fiber optic telecommunication, wireless communication and public safety camera facilities and equipment, general governmental office, administrative and meeting facilities, and land, rights-of-way and easements necessary for any of such facilities.

Facilities to be Purchased

The types of public facilities to be purchased as completed facilities are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, and land, rights-of-way and easements necessary for any of such facilities.

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 following:

(a) the cost of planning and designing public facilities to be financed, including the cost of environmental evaluations of those facilities;

(b) the costs associated with the creation of the Community Facilities District, issuance of bonds, 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; and

(c) any other expenses incidental to the construction, completion, and inspection of the authorized work.

EXHIBIT B

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 77
(THE RESORT AT ONTARIO RANCH FACILITIES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

Special Taxes shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) ("CFD No. 77") and collected each Fiscal Year, commencing in Fiscal Year 2026-27, 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. 77, 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 hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Subdivision Map, parcel map, condominium plan, or other recorded County map.

"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. 77: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 77 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City or CFD No. 77 of complying with arbitrage rebate requirements; the costs to the City or CFD No. 77 of complying with City, CFD No. 77, or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; 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. 77 related to the analysis and reduction, if any, of the Special Tax on Single Family Property in accordance with Section C.1 herein; the costs of the City or CFD No. 77 related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead relating to CFD No. 77; and amounts estimated or advanced by the City or CFD No. 77 for any other administrative purposes of the CFD, 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 in 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.

"Assigned Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

"Backup Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.3 below.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act) issued by CFD No. 77 under the Act and payable from the Special Tax.

"Buildable Lot" means an individual lot, within a Final Subdivision Map or an area expected by CFD No. 77 to become Final Mapped Property, such as the area within a Tentative Tract Map, for which a building permit may be issued without further subdivision of such lot.

"CFD Administrator" means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Taxes, and performing the other duties provided for herein.

"CFD No. 77" means City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities).

"City" means the City of Ontario, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 77.

"Contractual Impositions" means (a) a voluntary contractual assessment established and levied on an Assessor's Parcel pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10 *et seq.*), as amended from time to time, (b) a special tax established and levied on an Assessor's Parcel pursuant to Section 53328.1 of the California Government Code and related provisions of the Act, as amended from time to time, and (c) any other fee, charge, tax, or assessment established and levied on an individual Assessor's Parcel pursuant to a contractual agreement or other voluntary consent by the owner thereof (e.g., property owner association assessments).

"County" means the County of San Bernardino.

"Designated Buildable Lot" means a Buildable Lot for which a building permit has not been issued by the City as of the date of calculation of the Backup Special Tax.

"Developed Property" means for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a building permit or other applicable permit for new construction was issued after January 1, 2025, and before May 1 of the prior Fiscal Year.

"Expected Residential Lot Count" means 144 Buildable Lots or Units of Single Family Attached Property and 187 Buildable Lots of Single Family Detached Property, or, as determined by the CFD Administrator, the number of Buildable Lots or Units of Single Family Property based on the most recent Tentative Tract Map(s) or most recently recorded Final Subdivision Map(s) or modified Final Subdivision Map(s).

"Facilities" means the public facilities authorized to be financed, in whole or in part, by CFD No. 77.

"Final Mapped Property" means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, which as of January 1 of the previous Fiscal Year was located within a Final Subdivision Map. The term Final Mapped Property shall include any parcel map or Final Subdivision Map, or portion thereof, that creates individual lots for which a building permit may be issued, including Parcels that are designated as a remainder Parcel (i.e., one where the size, location, etc., precludes any further subdivision or taxable use).

"Final Subdivision Map" means a final tract map, parcel map, or lot line adjustment approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or a condominium plan recorded pursuant to California Civil Code Section 4285 that, in either case, creates individual lots for which building permits may be issued without further subdivision.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time.

"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. 77 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.1 below that can be levied in any Fiscal Year on such Assessor's Parcel of Taxable Property.

"Minimum Sale Price" means the minimum price at which Units of a given Land Use Class have sold or are expected to be sold in a normal marketing environment and shall not include prices for such Units that are sold at a discount to expected sales prices for the purpose of stimulating the initial sales activity with respect to such Land Use Class.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit was issued by the City permitting the construction of one or more non-residential structures or facilities.

"Other Residential Property" means, with respect to the Special Tax, all Assessor's Parcels of Developed Property for which a building permit was issued by the City for purposes of constructing Units, excluding Single Family Attached Property and Single Family Detached Property.

"Outstanding Bonds" means all Bonds which are outstanding under and in accordance with the provisions of the Indenture.

"Price Point Consultant" means any consultant or firm of such consultants selected by CFD No. 77 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact independent and not under the control of CFD No. 77 or the City, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 77, (ii) the City, (iii) any owner of real property in CFD No. 77, or (iv) any real property in CFD No. 77, and (e) is not connected with CFD No. 77 or the City as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 77 or the City.

"Price Point Study" means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

"Property Owner Association Property" means, for each Fiscal Year, any property within the boundaries of CFD No. 77 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 (a) for Developed Property in the first step of Section D.1 below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property; however, for Developed Property in the fourth step of Section D.1 below, Proportionately means that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all Assessor's Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any Assessor's Parcel(s), then the amount of the increase shall be equal for the remaining Assessor's Parcels; (b) for Final Mapped Property, that the ratio of the actual Special Tax

levy to the Maximum Special Tax is equal for all Assessor's Parcels of Final Mapped Property; (c) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property; (d) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property Owner Association Property; and (e) for Taxable Public Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Public Property.

"Public Property" means, for each Fiscal Year, property within the boundaries of CFD No. 77 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 Floor Area" means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the building permit(s) issued for such Assessor's Parcel, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 77. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for an Assessor's Parcel, it shall remain fixed in all future Fiscal Years unless an appeal pursuant to Section F below is approved that results in a change in the actual Square Footage.

"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, 2025, 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. 77.

"Single Family Attached Property" means all Assessor's Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel Numbers assigned to them (except for a duplex unit, which may share an Assessor's Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures within a condominium project as defined in Civil Code Section 4125.

"Single Family Detached Property" means all Assessor's Parcels of Developed Property for which a building permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

"Single Family Property" means all Assessor's Parcels of Single Family Attached Property and Single Family Detached Property.

"Special Tax" means the special tax authorized by the qualified electors of CFD No. 77 to be levied within the boundaries of CFD No. 77 to pay for Facilities and Services.

"Special Tax Requirement" means for any Fiscal Year that amount required, after taking into account available amounts held in the funds and accounts established under the Indenture, for CFD No. 77 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the Bonds, including, but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) provide any amounts required to establish or replenish any reserve fund for the Bonds; (v) pay directly for acquisition or construction of Facilities, or the cost of Services, to the extent that the inclusion of such amounts does not increase the Special Tax levy on Final Mapped Property or Undeveloped Property; and (vi) provide an amount equal to Special Tax delinquencies based on the historical delinquency rate for the Special Tax as determined by the CFD Administrator.

"Square Footage" or **"Sq. Ft."** means the 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. 77, issued for construction of Residential Property or Non-Residential Property, 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 of the Assessor's Parcels within the boundaries of CFD No. 77 that are not exempt from the Special Tax pursuant to law or Section E below.

"Taxable Property Owner Association Property" means, for each Fiscal Year, all Assessor's Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to Section E below.

"Taxable Public Property" means, for each Fiscal Year, all Assessor's Parcels of Public Property that are not exempt from the Special Tax pursuant to law or Section E below.

"Tentative Tract Map" means a map: (i) showing a proposed subdivision of an Assessor's Parcel(s) and the conditions pertaining thereto; (ii) that may or may not be based on a detailed survey; and (iii) that is not recorded by the County to create legal lots.

"Total Tax Burden" means, for a Unit within a Land Use Class, for the Fiscal Year in which the Total Tax Burden is being calculated, the sum of (a) the Assigned Special Tax for such Land Use Class for such Fiscal Year, plus (b) *ad valorem* property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other governmental fees, charges (other than fees or charges for services such as sewer or trash), taxes, and assessments (which do not include Contractual Impositions) collected by the County on *ad valorem* tax bills, plus (c) property owner association assessments (but excluding the refuse collection portion of such assessments), and that the CFD Administrator estimates would be levied or imposed on such Unit in such Fiscal Year if the residential dwelling unit thereon or therein had been completed and sold, and was subject to such fees, charges, taxes, and assessments in such Fiscal Year.

"Trustee" means the trustee or fiscal agent under the Indenture.

"TTM 20562" means Tentative Tract Map No. 20562, the area of which is located within CFD No. 77.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Public Property, or Taxable Property Owner Association Property.

"Unit" means an individual single-family detached or attached home, townhome, condominium, apartment, 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 2026-27, all Taxable Property within CFD No. 77 shall be classified as Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped 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.

Assessor's Parcels of Developed Property shall be further classified as: Single Family Property (and further classified as Single Family Attached Property or Single Family Detached Property, as needed) or Other Residential Property; or Non-Residential Property. Assessor's Parcels of Single Family Attached Property shall be assigned to Land Use Classes 1 through 14, and Single Family Detached Property shall be assigned to Land Use Classes 15 through 21, as listed in Table 1 below based on the Residential Floor Area of the Units on such Assessor's Parcels. Also, Other Residential Property and Non-Residential Property shall be assigned to Land Use Classes 22 and 23, respectively.

C. MAXIMUM SPECIAL TAX

1. Special Tax

At least 30 days prior to the issuance of Bonds, the Assigned Special Tax on Developed Property (set forth in Table 1 below) shall be analyzed in accordance

with and subject to the conditions set forth in this Section C. At such time, CFD No. 77 shall select and engage a Price Point Consultant and the CFD Administrator shall request the Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of Units within each Land Use Class.

If based upon such Price Point Study the CFD Administrator calculates that the Total Tax Burden, excluding property owner association assessments, applicable to Units within one or more Land Use Classes of Single Family Property to be constructed within CFD No. 77 exceeds 1.95% of the Minimum Sale Price of such Units, the Assigned Special Tax shall be reduced to the extent necessary to cause the Total Tax Burden, excluding property owner association assessments, that shall apply to Units within such Land Use Class(es) not to exceed 1.95% of the Minimum Sale Price of such Units.

Each Assigned Special Tax reduction for a Land Use Class shall be calculated by the CFD Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax, the Backup Special Tax shall also be reduced by the CFD Administrator based on the percentage reduction in Maximum Special Tax revenues within the Tentative Tract Map area(s) where the Assigned Special Tax reductions occurred. Upon determining the reductions, if any, in the Assigned Special Tax and Backup Special Tax required pursuant to this Section C, the CFD Administrator shall complete the Certificate of Modification of Special Tax substantially in the form attached hereto as Exhibit A (the "Certificate of Modification"), shall execute such completed Certificate of Modification, and shall deliver such executed Certificate of Modification to CFD No. 77. Upon receipt thereof, if in satisfactory form, CFD No. 77 shall execute such Certificate of Modification. The reduced Assigned Special Tax and Backup Special Tax specified in such Certificate of Modification shall become effective upon the execution of such Certificate of Modification by CFD No. 77.

The Special Tax reductions required pursuant to this section shall be reflected in an amended notice of Special Tax lien, which CFD No. 77 shall cause to be recorded with the County Recorder as soon as practicable after execution of the Certificate of Modification by CFD No. 77. The reductions in this section apply to Single Family Property, but not to Other Residential Property or Non-Residential Property.

a. Developed Property

1) *Maximum Special Tax*

The Maximum Special Tax that may be levied in any Fiscal Year for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax. The Maximum Special Tax shall not

increase in future years, other than as calculated pursuant to Section C.1.a.3 below.

2) *Assigned Special Tax*

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown below in Table 1.

TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Attached Property	< 1,201	$2,106 per Unit
2	Single Family Attached Property	1,201 – 1,300	$2,340 per Unit
3	Single Family Attached Property	1,301 – 1,400	$2,495 per Unit
4	Single Family Attached Property	1,401 – 1,500	$2,612 per Unit
5	Single Family Attached Property	1,501 – 1,600	$2,728 per Unit
6	Single Family Attached Property	1,601 – 1,700	$3,079 per Unit
7	Single Family Attached Property	1,701 – 1,800	$3,147 per Unit
8	Single Family Attached Property	1,801 – 1,900	$3,205 per Unit
9	Single Family Attached Property	1,901 – 2,000	$3,295 per Unit
10	Single Family Attached Property	2,001 – 2,100	$3,374 per Unit
11	Single Family Attached Property	2,101 – 2,200	$3,476 per Unit
12	Single Family Attached Property	2,201 – 2,300	$3,619 per Unit
13	Single Family Attached Property	2,301 – 2,400	$3,864 per Unit
14	Single Family Attached Property	> 2,400	$3,935 per Unit
15	Single Family Detached Property	< 1,401	$2,628 per Unit
16	Single Family Detached Property	1,401 – 1,600	$2,808 per Unit
17	Single Family Detached Property	1,601 – 1,800	$2,967 per Unit
18	Single Family Detached Property	1,801 – 2,000	$3,176 per Unit
19	Single Family Detached Property	2,001 – 2,200	$3,209 per Unit
20	Single Family Detached Property	2,201 – 2,400	$3,276 per Unit
21	Single Family Detached Property	> 2,400	$3,501 per Unit
22	Other Residential Property		$174,374 per Acre
23	Non-Residential Property		$174,374 per Acre

3) Backup Special Tax

The Backup Special Tax shall be $3,215 per Unit of Single Family Attached Property and $3,132 per Unit of Single Family Detached Property. However, if the Expected Residential Lot Count for Single Family Attached Property does not equal 144 and for Single Family Detached Property does not equal 187, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Attached Property and Single Family Detached Property shall be calculated according to the following formulas:

Attached = $462,962 ÷ Expected Residential Lot Count for Single Family Attached Property

Detached = $585,776 ÷ Expected Residential Lot Count for Single Family Detached Property

If any portion of a Final Subdivision Map, or any area expected by CFD No. 77 to become Final Mapped Property – such as the area within TTM 20562, or any other Tentative Tract Map – changes any time after the City has issued Bonds, causing an adjustment to the number of Designated Buildable Lots, then the Backup Special Tax for all Designated Buildable Lots of Single Family Property subject to the change shall be calculated according to the following steps:

Step 1: Determine the total Backup Special Tax that could have been collected from Designated Buildable Lots of Single Family Attached Property or Single Family Detached Property prior to the Final Subdivision Map or expected Final Mapped Property change.

Step 2: Divide the amount determined in Step 1 by the number of Designated Buildable Lots of Single Family Attached Property or Single Family Detached Property that exists after the Final Subdivision Map or expected Final Mapped Property change.

Step 3: Apply the amount determined in Step 2 as the Backup Special Tax per Unit for Single Family Attached Property or Single Family Detached Property.

The Backup Special Tax for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property.

b. Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property

The Maximum Special Tax for Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property shall be $174,374 per Acre, and shall not be subject to increase or reduction and, therefore, shall remain the same in every Fiscal Year.

2. Multiple Land Use Classes on an Assessor's Parcel

In some instances an Assessor's Parcel of Developed 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 Single Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable building permits, Final Subdivision Map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

3. Developed Property Special Tax Obligation

Once an Assessor's Parcel has been taxed in any Fiscal Year as Developed Property, the Assessor's Parcel shall continue to be taxed as Developed Property regardless of changes to or expiration of the original building permit, and regardless of revisions to or destruction of the structure that was, or was expected to be, constructed pursuant to the original building permit.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2026-27, the CFD Administrator shall determine the Special Tax Requirement for such Fiscal Year. The Special Tax shall then be levied as follows:

First: If needed to satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property up to 100% of the Maximum Special Tax for Final Mapped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property up to the Maximum Special Tax for Taxable Property Owner Association Property;

Sixth: If additional monies are needed to satisfy the Special Tax Requirement after the first five steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property up to the Maximum Special Tax for Taxable Public Property.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any Assessor's Parcel of Single Family Property or Other Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other Assessor's Parcel or Assessor's Parcels within CFD No. 77 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

E. EXEMPTIONS

No Special Tax shall be levied on up to 11.17 Acres of Property Owner Association Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property.

Property Owner Association Property or Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth or sixth step, respectively, in Section D above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property. No Special Tax shall be levied in any Fiscal Year on Assessor's Parcels that have fully prepaid the Special Tax obligation pursuant to the formula set forth in Section H.

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. 77 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 a 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. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section H:

"CFD Public Facilities" means $12,843,000 for each Prepayment Period, or such lower number as determined by the City Council to be sufficient to fund the Facilities and Services to be provided by CFD No. 77.

"Expenditures Fund" means funds or accounts, regardless of their names, that are established to hold moneys that are available to acquire or construct Facilities and to fund Services.

"Future Facilities Costs" means the CFD Public Facilities minus (i) Facilities and Services costs previously paid from the Expenditures Fund during the Prepayment Period in which the prepayment is being made, (ii) moneys currently on deposit in the Expenditures Fund from deposits made during the Prepayment Period in which the prepayment is being made, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance Facilities costs. In no event shall the amount of Future Facilities Costs be less than zero.

"Prepayment Period" means one of three periods of time during which a Special Tax prepayment may be made.

"Prepayment Period 1" means July 1, 2026, through June 30, 2060.

"Prepayment Period 2" means July 1, 2060, through June 30, 2093.

"Prepayment Period 3" means July 1, 2093, through June 30, 2127.

1. Prepayment in Full

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels for which a building permit for new construction was issued after January 1, 2025, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount	
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
Total	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

Paragraph No.

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel, and determine the Prepayment Period for the proposed prepayment.

2. Compute the Assigned Special Tax and Backup Special Tax for the Assessor's Parcel to be prepaid based on the Developed Property Special Tax which is, or could be, charged in the current Fiscal Year. For Assessor's Parcels of Final Mapped Property (for which a building permit has been issued but which is not yet classified as Developed Property) to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.

3. (a) Divide the Assigned Special Tax computed pursuant to Paragraph 2 by the total estimated Assigned Special Tax for CFD No. 77 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 77, excluding any Assessor's Parcels which have been prepaid, and

   (b) Divide the Backup Special Tax computed pursuant to Paragraph 2 by the estimated total Backup Special Tax at buildout of CFD No. 77, excluding any Assessor's Parcels which have been prepaid.

4. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount computed pursuant to Paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").

6. Compute the Future Facilities Costs for the applicable Prepayment Period.

7. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the amount determined pursuant to Paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").

8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.

10. Add the amounts computed pursuant to Paragraphs 8 and 9 to determine the "Defeasance Amount".

11. Verify the administrative fees and expenses of CFD No. 77, including the costs to compute the prepayment, the costs to invest the prepayment proceeds, the costs to redeem Bonds, and the costs to record any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.

13. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Paragraphs 4, 5, 7, 10, and 11, less the amount computed pursuant to Paragraph 12 (the "Prepayment Amount").

14. From the Prepayment Amount, the amounts computed pursuant to Paragraphs 4, 5, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Paragraph 7 shall be deposited into the Expenditures Fund. The amount computed pursuant to Paragraph 11 shall be retained by CFD No. 77.

The Special Tax Prepayment Amount may be sufficient to redeem other than a $5,000 increment of Bonds. In such cases, the increment above $5,000, or integral multiple thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under Paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid during Prepayment Period 3, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been prepaid and that the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

With respect to the Special Tax for any Assessor's Parcel that is prepaid during Prepayment Period 1 or Prepayment Period 2, the obligation of such Assessor's Parcel to pay the Special Tax shall be tolled, or suspended, through the end of such Prepayment Period, but shall resume in the first Fiscal Year of the subsequent Prepayment Period. The CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been satisfied for the remainder of the applicable Prepayment Period but has not been permanently satisfied and the obligation to pay the Special Tax will resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the prepayment was made. Once the

obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of the Maximum Special Tax that may be levied on Taxable Property within CFD No. 77 (after excluding 11.17 Acres of Property Owner Association Property) both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax on an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2025, may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

PP = the partial prepayment
PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section H.1
AE = the Administrative Fees and Expenses determined pursuant to paragraph 11 above
% = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a $5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section H.1, and (ii) indicate in the records of CFD No. 77 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (100% - "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D during the Prepayment Period in which the partial prepayment is made.

For partial prepayments made during Prepayment Period 1 or Prepayment Period 2, the full amount of the Special Tax shall resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the partial prepayment was made.

Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

I. TERM OF SPECIAL TAX

The Fiscal Year after which no further Special Tax shall be levied or collected is Fiscal Year 2126-2127, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

EXHIBIT A

CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 1 OF 3)

CITY OF ONTARIO AND CFD NO. 77 CERTIFICATE

1. Pursuant to Section C.1 of the Rate and Method of Apportionment of Special Tax (the "Rate and Method") for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) ("CFD No. 77"), the Assigned Special Tax and the Backup Special Tax for Developed Property within CFD No. 77 has been modified.

    a. The information in Table 1 below relating to the Assigned Special Tax for Developed Property within CFD No. 77, as stated in Section C.1.a.2 of the Rate and Method of Apportionment, has been modified as follows:

TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Attached Property	< 1,201	$[ ] per Unit
2	Single Family Attached Property	1,201 – 1,300	$[ ] per Unit
3	Single Family Attached Property	1,301 – 1,400	$[ ] per Unit
4	Single Family Attached Property	1,401 – 1,500	$[ ] per Unit
5	Single Family Attached Property	1,501 – 1,600	$[ ] per Unit
6	Single Family Attached Property	1,601 – 1,700	$[ ] per Unit
7	Single Family Attached Property	1,701 – 1,800	$[ ] per Unit
8	Single Family Attached Property	1,801 – 1,900	$[ ] per Unit
9	Single Family Attached Property	1,901 – 2,000	$[ ] per Unit
10	Single Family Attached Property	2,001 – 2,100	$[ ] per Unit
11	Single Family Attached Property	2,101 – 2,200	$[ ] per Unit
12	Single Family Attached Property	2,201 – 2,300	$[ ] per Unit
13	Single Family Attached Property	2,301 – 2,400	$[ ] per Unit
14	Single Family Attached Property	> 2,400	$[ ] per Unit
15	Single Family Detached Property	< 1,401	$[ ] per Unit
16	Single Family Detached Property	1,401 – 1,600	$[ ] per Unit

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
17	Single Family Detached Property	1,601 – 1,800	$[ ] per Unit
18	Single Family Detached Property	1,801 – 2,000	$[ ] per Unit
19	Single Family Detached Property	2,001 – 2,200	$[ ] per Unit
20	Single Family Detached Property	2,201 – 2,400	$[ ] per Unit
21	Single Family Detached Property	> 2,400	$[ ] per Unit
22	Other Residential Property		$[ ] per Acre
23	Non-Residential Property		$[ ] per Acre

b. The Backup Special Tax for Developed Property, as stated in Section C.1.a.3, shall be modified as follows:

The Backup Special Tax shall be $[ ] per Unit of Single Family Attached Property and $[ ] per Unit of Single Family Detached Property. However, if the Expected Residential Lot Count for Single Family Attached Property does not equal 144 and for Single Family Detached Property does not equal 187, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Attached Property and Single Family Detached Property shall be calculated according to the following formulas:

Attached = $[ ] ÷ Expected Residential Lot Count for Single Family Attached Property

Detached = $[ ] ÷ Expected Residential Lot Count for Single Family Detached Property

2. The Special Tax for Developed Property may only be modified prior to the first issuance of CFD No. 77 Bonds.

3. Upon execution of this certificate by CFD No. 77, CFD No. 77 shall cause an amended notice of Special Tax lien for CFD No. 77 to be recorded reflecting the modifications set forth herein.

EXHIBIT A

CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 3 OF 3)

Capitalized undefined terms used herein have the meanings ascribed thereto in the Rate and Method. The modifications set forth in this Certificate have been calculated by the CFD Administrator in accordance with the Rate and Method.

GOODWIN CONSULTING GROUP, INC.
CFD ADMINISTRATOR

By:_____ Date:_____

The undersigned acknowledges receipt of this Certificate and of the modification of the Assigned Special Tax and Backup Special Tax for Developed Property as set forth in this Certificate.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 77
(THE RESORT AT ONTARIO RANCH FACILITIES)

By:_____ Date:_____

RESOLUTION NO. _____

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

WHEREAS, on April 7, 2026, 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. 77 (The Resort at Ontario Ranch Facilities) and to Authorize the Levy of a Special Tax Therein," stating its intention to establish City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) (the "Community Facilities District") and to authorize the Community Facilities District to levy a special tax (the "Special Tax") within the Community Facilities District for the purpose of financing certain public facilities (the "Facilities") and services; and

WHEREAS, on April 7, 2026, the City Council also adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Declaring it Necessary for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) to Incur Bonded Indebtedness" (the "Resolution Declaring Necessity"), declaring it necessary for the Community Facilities District to incur bonded indebtedness and setting the date for a public hearing to be held on the proposed debt authorization; and

WHEREAS, pursuant to the Resolution Declaring Necessity, City Council fixed Tuesday, May 19, 2026, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, as the time when the City Council will conduct the public hearing on the proposed debt authorization for the Community Facilities District; and

WHEREAS, the May 19, 2026 City Council meeting was cancelled and reconvened on the next regular date and the public hearing on the proposed debt authorization for the Community Facilities District has been continued to this meeting, as the next regular City Council meeting; and

WHEREAS, pursuant to the Resolution Declaring Necessity, notice of said public hearing on this date was timely 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, at said public hearing, any person interested, including persons owning property within the area and desiring to appear and present any matters material to the questions set forth in the Resolution Declaring Necessity appeared and presented such matters; and

WHEREAS, oral or written protests against the proposed debt issue were not made or filed at or before said public 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, the City Council deems it necessary for the Community Facilities District to incur bonded indebtedness; and

WHEREAS, on this date, the City Council 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. 77 (The Resort at Ontario Ranch Facilities), 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;" and

WHEREAS, the City Clerk of the City (the "City Clerk") is the election official that will conduct the special election on the proposition to authorize the Community Facilities District to incur bonded indebtedness; 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 April 14, 2026, 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 said public hearing; 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, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), consenting to the holding of said special election on June 2, 2026, 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 June 2, 2026;

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 deems it necessary for the Community Facilities District to incur the bonded indebtedness.

SECTION 3. The bonded indebtedness will be incurred for the purpose of financing the costs of the Facilities, including all costs and estimated costs incidental to, or connected with, the accomplishment of said purpose, including, but not limited to, such costs and estimated costs as are described in Section 53345.3 of the Act.

SECTION 4. In accordance with the previous determination of the City Council, the whole of the Community Facilities District will pay for the bonded indebtedness.

SECTION 5. The maximum amount of debt to be incurred is $45,000,000.

SECTION 6. The maximum term the bonds to be issued shall run before maturity is 40 years.

SECTION 7. The maximum annual rate of interest to be paid shall not exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds, payable semiannually or at such times as the City Council or its designee shall determine, the actual rate or rates and times of payment of such interest to be determined by the City Council or its designee at the time or times of sale of the bonds.

SECTION 8. The proposition to authorize the Community Facilities District to incur the bonded indebtedness shall be submitted to the qualified electors of the Community Facilities District.

SECTION 9. The City Council hereby finds and determines that no persons were registered to vote within the territory of the Community Facilities District as of April 14, 2026, 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 proposed debt issue for 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.

SECTION 10. 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, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), (b) unanimously consented to the holding of said election on June 2, 2026, 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 June 2, 2026.

SECTION 11. The date of the special community facilities district election (which shall be consolidated with the special district election to authorize the Community Facilities District to levy the Special Tax) at which time the proposition to authorize the Community Facilities District to incur the bonded indebtedness shall be submitted to the voters is June 2, 2026.

SECTION 12. As authorized by Section 53353.5 of the Act, the propositions to authorize the Community Facilities District to incur such bonded indebtedness, to authorize the Community Facilities to levy the Special Tax and to establish an appropriations limit of the Community Facilities District shall be combined into one ballot proposition.

SECTION 13. Pursuant to Section 53326 of the Act, the election shall be conducted by mail or hand-delivered ballot. The voted ballots are required to be received in the office of the City Clerk no later than 6:30 p.m. on June 2, 2026; 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 14. All actions heretofore taken by the officers, employees and agents of the City with respect to the incurrence of bonded indebtedness by 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 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

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. 77 (THE RESORT AT ONTARIO RANCH FACILITIES).

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. 77 (The Resort at Ontario Ranch Facilities), 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. 77 (The Resort at Ontario Ranch Facilities) (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 public facilities (the "Facilities") and services and proposing that an appropriations limit of the Community Facilities District be established at $45,000,000; and

WHEREAS, on this date, the City Council also adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) to Incur Bonded Indebtedness" (the "Resolution Deeming Necessity"), deeming it necessary for the Community Facilities District to incur bonded indebtedness in a maximum amount of $45,000,000; and

WHEREAS, pursuant to the provisions of the Act and said resolutions, the propositions to authorize the Community Facilities District to incur such bonded indebtedness, 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 April 14, 2026, 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 the proposed debt issue for 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, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), consenting to the holding of said special election on June 2, 2026 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 June 2, 2026;

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 53351, 53326 and 53325.7 of the Act, the propositions to authorize the Community Facilities District to incur bonded indebtedness, to authorize the Community Facilities District to levy the Special Tax and to establish the appropriations limit of the Community Facilities District 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 incur such bonded indebtedness, 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 April 14, 2026, 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 and the proposed debt issue for 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, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), (b) unanimously consented to the holding of said election on June 2, 2026, 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 June 2, 2026.

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 District to incur bonded indebtedness in a maximum amount of $45,000,000, to authorize the Community Facilities to levy the Special Tax and to establish the appropriations limit of the Community Facilities District at $45,000,000, which election shall be held at 303 East B Street, Ontario, California, on June 2, 2026. The City Council has caused to be provided to the City Clerk, as the official to conduct the election, the Resolution of Formation, the Resolution Deeming Necessity, 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 6:30 p.m. on June 2, 2026; 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 6:30 p.m. on June 2, 2026, 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 Facilities and 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. The specific purpose of the bonded indebtedness that the Community Facilities District is proposed to be authorized to incur is the financing of the Facilities, including all costs and estimated costs incidental to, or connected with, the accomplishment of such purpose, and the proceeds of such bonded indebtedness shall be applied only to such specific purpose.

Upon approval of the proposition to authorize the Community Facilities District to incur bonded indebtedness, and the sale of any bonds evidencing such indebtedness, the City Council shall take such action as may be necessary to cause to be established an account for deposit of the proceeds of sale of the bonds. For so long as any proceeds of the bonds remain unexpended, the Executive Director of Finance of the City shall cause to be filed with the City Council, no later than January 1 of each year, a report stating (a) the amount of bond proceeds received and expended during the preceding year, and (b) the status of any project funded or to be funded from bond proceeds. Said report may relate to the calendar year, fiscal year, or other appropriate annual period, as the Executive Director of Finance of the City shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the City Council.

SECTION 13. 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 14. 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 15. 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 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

OFFICIAL BALLOT

CITY OF ONTARIO
June 2, 2026

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. 77
(THE RESORT AT ONTARIO RANCH FACILITIES)

MEASURE: Shall the measure to authorize City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) (the "Community Facilities District") to incur bonded indebtedness in a maximum amount of $45,000,000, to authorize the Community Facilities District to levy a special tax in order to finance certain facilities and services and to establish the annual appropriations limit of the Community Facilities District at $45,000,000, as specified in the resolutions adopted by the City Council of the City of Ontario on June 2, 2026 entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities), 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" and "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) to Incur Bonded Indebtedness," 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 June 2, 2026, 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. 77 (The Resort at Ontario Ranch Facilities)" (the "Resolution Calling Election"), calling a special election to submit to the qualified electors of City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) (the "Community Facilities District") the combined ballot proposition to authorize the Community Facilities District to incur bonded indebtedness, to authorize the Community Facilities District to levy 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 June 2, 2026; 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 53355, 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 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 77
(THE RESORT AT ONTARIO RANCH FACILITIES)
CANVASS AND STATEMENT OF RESULTS OF ELECTION

I hereby certify that on June 2, 2026, I canvassed the returns of the special election for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) held on June 2, 2026, 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. 77 (The Resort at Ontario Ranch Facilities) Special Election, June 2, 2026	19	___	___	___

MEASURE: Shall the measure to authorize City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) (the "Community Facilities District") to incur bonded indebtedness in a maximum amount of $45,000,000, to authorize the Community Facilities District to levy a special tax in order to finance certain facilities and services and to establish the annual appropriations limit of the Community Facilities District at $45,000,000, as specified in the resolutions adopted by the City Council of the City of Ontario on June 2, 2026 entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities), 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" and "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) to Incur Bonded Indebtedness," be adopted?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 2nd day of June, 2026.

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. 77 (THE RESORT AT ONTARIO RANCH FACILITIES).

WHEREAS, on April 7, 2026, 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. 77 (The Resort at Ontario Ranch Facilities) and to Authorize the Levy of a Special Tax Therein," stating its intention to establish City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) (the "Community Facilities District") and to authorize the Community Facilities District to levy a special tax (the "Special Tax") within the Community Facilities District for the purpose of financing certain public facilities (the "Facilities") and services (the "Services"); and

WHEREAS, on June 2, 2026, 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. 77 (The Resort at Ontario Ranch Facilities), Proposing that the Community Facilities District be Authorized to Levy a Special Tax and Proposing that an Appropriations Limit of the Community Facilities District be Established" (the "Resolution of Formation"), "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) to Incur Bonded Indebtedness" and "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities)," which resolutions established the Community Facilities District, proposed that the Community Facilities District be authorized to levy the Special Tax within the Community Facilities District, proposed that an appropriations limit of the Community Facilities District be established and called a special election to submit to the qualified electors of the Community Facilities District the combined ballot proposition to authorize the Community Facilities District to incur bonded indebtedness, to authorize the Community Facilities District to levy the Special Tax and to establish the appropriations limit of the Community Facilities District; and

WHEREAS, on June 2, 2026, an election was held in which the qualified electors of the Community Facilities District approved said proposition by more than the two-thirds vote required by the Act; and

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

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

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

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

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

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

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

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

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

PASSED, APPROVED, AND ADOPTED this _____ day of _____ 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held June 2, 2026 and adopted at the regular meeting held _____, 2026 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)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN ACQUISITION AND FUNDING AGREEMENT WITH SL ONTARIO DEVELOPMENT COMPANY, LLC

WHEREAS, certain real property within the boundaries of the City of Ontario (the "City") located generally south of State Route 60 is commonly referred to as Ontario Ranch; and

WHEREAS, the City has approved a General Plan Amendment for the New Model Colony (the name by which Ontario Ranch was formerly known), which has been supplemented by certain water, recycled water and sewer master plans (as so supplemented, the "General Plan Amendment") and has certified an Environmental Impact Report and adopted a Mitigated Negative Declaration in connection with the General Plan Amendment (together, the "Environmental Impact Report"); and

WHEREAS, the City has specified in the General Plan Amendment and the Environmental Impact Report the major backbone transportation, water, sewer, storm drainage, parks, public safety infrastructure and fiber optic systems required to serve Ontario Ranch; and

WHEREAS, SL Ontario Development Company, LLC ("SLODC"), is developing certain of the property within Ontario Ranch (the "Property"); and

WHEREAS, certain of such major backbone infrastructure is required to serve the Property; and

WHEREAS, in order to provide a mechanism to fund, in a timely manner, the costs of certain of such major backbone infrastructure required to serve Ontario Ranch (the "Facilities") so that such development may occur, the City has, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"), established City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) (the "Community Facilities District"), the boundaries of which include the Property; and

WHEREAS, pursuant to the Act, the proceedings of the City Council of the City and an election held within the Community Facilities District, the Community Facilities District is authorized to levy a special tax (the "Special Tax") within the Community Facilities District and issue special tax bonds (the "Bonds") secured by the Special Tax in order to finance certain of the Facilities; and

WHEREAS, it is anticipated that the Special Tax will be levied by the Community Facilities District and that, from time to time, Bonds will be issued by the Community Facilities District; and

WHEREAS, SLODC proposes to construct, or cause to be constructed, certain of the Facilities proposed to be financed by the Community Facilities District pursuant to the Act, and the City proposes to purchase such Facilities from SLODC pursuant to an Acquisition and Funding Agreement by and between the City and SLODC (such Acquisition and Funding Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Acquisition Agreement"); and

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

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

SECTION 1. The Acquisition Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the Mayor of the City, and such other member of the City Council as the Mayor may designate, the City Manager of the City and the Executive Director of Finance of the City, and such other officer or employee of the City as the City Manager may designate (the "Authorized Officers") is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the City, to execute and deliver the Acquisition Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Acquisition Agreement by such Authorized Officer.

SECTION 2. All actions heretofore taken by the officers, employees and agents of the City with respect to the Acquisition Agreement, or in connection with or related to any of the matters referred to herein, are hereby approved, confirmed and ratified.

SECTION 3. 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 4. 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 2nd day of June 2026.

_____

PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, MAKING A DECLARATION OF OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR COSTS OF FACILITIES WITH BOND PROCEEDS AND RELATED ACTIONS.

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City") has formed City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) (the "Community Facilities District") under the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"); and

WHEREAS, the Community Facilities District is authorized under the Act to levy a special tax (the "Special Tax") to pay for the costs of certain public facilities (the "Facilities") and to issue bonds payable from the Special Tax; and

WHEREAS, in order to provide funds to finance certain of the Facilities, the Community Facilities District proposes to issue its City of Ontario Community Facilities District No. 77 (The Resort at Ontario Ranch Facilities) Special Tax Bonds (the "Bonds"); and

WHEREAS, pursuant to the Act (a) the Community Facilities District is a legally constituted governmental entity established pursuant to the Act for the sole purpose of financing facilities and services, and (b) the City Council is the legislative body of the Community Facilities District; and

WHEREAS, the Community Facilities District and the City are related entities; and

WHEREAS, beginning on the 60-day period prior to the date hereof, the City has paid or incurred, or expects to pay or incur prior to the issuance of the Bonds, certain costs of the Facilities; and

WHEREAS, the City has also paid or incurred certain "preliminary expenditures" with respect to the Facilities and may pay or incur certain additional "preliminary expenditures" with respect to the Facilities; the term "preliminary expenditures" includes architectural, engineering, surveying, soil testing, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction and such preliminary expenditures constitute costs of the Facilities; and

WHEREAS, in order to reimburse the City for the payment of costs of the Facilities, the Community Facilities District anticipates it will issue Bonds in an amount not expected to exceed $45,000,000 for the purpose of financing costs of the Facilities; and

WHEREAS, proceeds of the Bonds will be allocated to reimbursement of prior expenditures no later than 18 months after the later of (a) the date the cost is paid, or (b) the date the Facilities are, or each component thereof is, placed in service or abandoned (but in no event more than three years after the cost is paid); and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Community Facilities District to declare its reasonable official intent to reimburse prior expenditures for costs of the Facilities with proceeds of indebtedness; and

WHEREAS, the Community Facilities District desires to declare its official intent to use proceeds of indebtedness, including the Bonds, to reimburse expenditures for costs of the Facilities paid before such indebtedness is incurred and to finance the costs of the Facilities on a long-term basis with the proceeds of such indebtedness;

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. This Resolution is adopted by the City Council, as the legislative body of the Community Facilities District, solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Internal Revenue Code of 1986 and in Section 1.150-2 of the Treasury Regulations. This Resolution does not bind the Community Facilities District or the City to make any expenditure, incur any indebtedness, or proceed with construction of the Facilities.

SECTION 3. All actions heretofore taken by the officers, employees and agents of the City with respect to the actions set forth above are hereby approved, confirmed and ratified.

SECTION 4. The officers, employees and agents of the City are, and each of them is, hereby authorized and directed, for and in the name of the Community Facilities District to take all actions and do any and all things and to execute and deliver any and all agreements, documents, certificates or instruments that they, or any of them, may deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution not inconsistent with the provisions hereof.

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

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

PASSED, APPROVED, AND ADOPTED this 2nd day of June 2026.

_____

PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **PUBLIC HEARINGS**
Department: Economic Development Prepared By: Charity Hernandez Department: Prepared By: Charity Hernandez Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 28

SUBJECT: **A PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION OF NECESSITY TO ACQUIRE BY EMINENT DOMAIN A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1207 AND 1217 EAST HOLT BOULEVARD, CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA AND MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NOS. 0110-061-10 AND 0110-061-21 FOR THE GROVE AND HOLT HOUSING PROJECT**

RECOMMENDATION: That the City Council:

A. Consider adopting a Resolution of Necessity for the Grove and Holt Housing Project and provide each party with an interest in the affected property, their attorneys or representatives, an opportunity to be heard on the issues relevant to the Resolution of Necessity;
B. Make the following findings as hereinafter described in this report:
(1) The public interest and necessity require the proposed project;
(2) The project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury;
(3) The real property to be acquired is necessary for the project;
(4) The offers of just compensation have been made to the property owners; and
C. Adopt a Resolution of Necessity declaring that the acquisition by eminent domain of a fee simple interest in certain real property, more particularly described as Assessor's Parcel Nos. 0110-061-10 and 0110-061-21 (the "Property"), is necessary for the Grove and Holt Housing Project in Ontario, California (the "Project").

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

FISCAL IMPACT: The deposit necessary to file the Resolution of Necessity for prejudgment possession of the property is approximately $8,403,000. If approved, additional appropriations will

be included in the Affordability-In-Lieu fund and in the Ontario Housing Authority at a future quarterly budget update to City Council for approval as needed.

BACKGROUND & ANALYSIS: The Property consists of two parcels located at 1207 and 1217 East Holt Boulevard in Ontario, California, as shown on Exhibit 1, for the City of Ontario's Grove and Holt Housing Project. The City seeks to acquire a full fee interest in the parcels referenced above.

The City obtained an appraisal of the affected property from Thompson & Thompson Real Estate Valuation and Consulting. On March 20, 2026, a written offer of just compensation was made to the property owner for the acquisition pursuant to California Government Code section 7267.2.

The power of eminent domain is used by the City only as a last resort to obtain interests necessary for projects after (1) negotiations have stalled; (2) the owner has requested that the City proceed directly to eminent domain for tax or other advantages; or (3) the eminent domain process is necessary to clear title to the property. In this case, an offer of just compensation was made to the owner for the value as determined by an independent appraisal. California's definition of value requires the appraiser to consider the highest and best use of the property and the highest price a willing and fully informed buyer and seller would agree upon. The City's appraisal must use this definition of value.

The City has received a response from one property owner to date. The City will continue its efforts to communicate and negotiate with the property owner and/or its legal counsel, as the City remains interested in achieving a voluntary purchase of the property if possible. However, in the absence of a response and agreement, it is necessary to proceed with the eminent domain process to meet critical project deadlines.

A litigation guarantee was ordered to determine and confirm the identity of the record owner. Following a standard public records and due diligence search for ownership information, and pursuant to California Code of Civil Procedure section 1245.235, notice of this hearing was sent by first class mail on Friday, May 15, 2026, to the record owner. The notice stated the City's intent to consider adoption of a resolution, the right of the property owner to appear and be heard, and that failure to file a written request to appear may result in a waiver of that right.

DESCRIPTION OF PROPERTY TO BE ACQUIRED: The affected property is located at 1207 and 1217 East Holt Boulevard, Ontario, California, and is more particularly described as Assessor's Parcel Nos. 0110-061-10 and 0110-061-21 (the "Property").

The Property at 1207 East Holt consists of vacant land and is currently owned by Crossroad Ontario, LLC, a California limited liability company.

The Property at 1207 East Holt consists of the Capri Motel and is currently owned by 1217 Holt, LLC, a California limited liability company.

HEARINGS AND REQUIRED FINDINGS: The recommended actions of the City Council pertain to the acquisition of a fee simple interest in the Property. A true and correct copy of the legal description and map of the Property sought to be acquired is attached to the Resolution of Necessity as Exhibits 1 and 2.

California eminent domain law provides that a public entity may not commence eminent domain proceedings until its governing body has adopted a resolution of necessity, which may only be adopted after the governing body has given each party with an interest in the affected property, or their representatives, a reasonable opportunity to appear and be heard on the matters stated above.

The four required findings are addressed as follows:

The Public Interest and Necessity Require the Proposed Project

The Grove and Holt Housing Project, in the City of Ontario, San Bernardino County, California, is necessary and serves the public interest because it facilitates the development of much needed affordable housing consistent with local and State housing objectives. The State of California continues to experience a severe housing and affordability crisis, resulting in a critical shortage of housing opportunities for lower-income households. Pursuant to the City's adopted Housing Element and Regional Housing Needs Allocation (RHNA), the City is required to facilitate the development of 20,854 housing units, including 8,926 units affordable to lower-income households, to accommodate projected population growth and existing housing needs.

The proposed project will provide new affordable housing units that directly further the City's housing production goals and commitment to expanding the availability of affordable housing opportunities. The project will deliver substantial public benefits by increasing the supply of affordable housing in a strategic corridor with access to public transportation, employment opportunities, commercial services, and other community amenities. The project therefore promotes public health, safety, and welfare by addressing identified housing needs, supporting economic stability, reducing housing insecurity, and advancing the goals and policies of the City's Housing Element and applicable State housing laws.

The Project is Planned or Located in a Manner That Will be Most Compatible With the Greatest Public Good and the Least Private Injury

As part of the Grove and Holt Housing Project, the proposed acquisition is undertaken for the public good and represents the least injurious means of facilitating the development of needed housing, while balancing impacts to surrounding properties and uses.

The Real Property to be Acquired is Necessary for the Proposed Project

The property described and depicted in Exhibits 1 and 2 attached to the Resolution of Necessity, consisting of a fee simple interest in Assessor's Parcel Nos. 0110-061-10 and 0110-061-21, is necessary for the development of the Grove and Holt Housing Project. Without this acquisition, the City will not have the legal right to enter, construct, or maintain the Project area necessary to proceed with development.

The proposed acquisition is limited to the minimum property interest necessary to complete the Project. No additional property beyond what is required to facilitate the residential development is being sought. Accordingly, the acquisition is necessary and proportional to the City's stated public purpose.

The Offer of Just Compensation Has Been Made

An appraisal was prepared by Thompson & Thompson Real Estate Valuation and Consulting to establish the fair market value of the real property the City seeks to acquire. As discussed above, an offer of just compensation was made to the property owner to purchase the fee simple interest as established by the approved appraisal and as required by California Government Code section 7267.2.

Although a negotiated settlement may still be possible, it is appropriate to commence the procedure to acquire the property through eminent domain to ensure that the City obtains possession of the real property necessary to proceed with the Project.

The assessor parcel numbers, and the party to whom the offer was made and the date of the offer is provided in following table:

APN's	Record Owner	Date of Offer
0110-061-10	Crossroad Ontario, LLC, a California limited liability company	03/20/2026
0110-061-21	1217 Holt, LLC, a California limited liability company	03/20/2026

ENVIRONMENTAL ANALYSIS:

The proposed Holt and Grove Housing Project associated with the proposed Resolution of Necessity has been reviewed for compliance with the California Environmental Quality Act (CEQA), and is categorically exempt pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines. The Holt and Grove Housing Project meets the conditions and criteria outlined under CEQA Section 15332, and as a result no additional environmental analysis is necessary.

EXHIBIT “1”

1207 AND 1217 EAST HOLT BOULEVARD



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RESOLUTION NO. _____

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1217 EAST HOLT BOULEVARD, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NO. 0110-061-21-0-000, FOR THE GROVE AND HOLT HOUSING PROJECT, IN ONTARIO, CALIFORNIA.

WHEREAS, the City of Ontario (the "City") proposes to acquire, by eminent domain, a fee simple interest in certain real property located at 1217 East Holt Boulevard, in the City of Ontario, County of San Bernardino, State of California, more particularly described as Assessor's Parcel No. 0110-061-21-0-000, for the Grove and Holt Housing Project (the "Project"). The Project will facilitate the development of much-needed housing, support community growth, and enhance economic vitality in the surrounding area, and the City's acquisition of such property is in accordance with the authority granted by Section 37350.5 of the California Government Code; and

WHEREAS, pursuant to Section 1245.235 of the California Code of Civil Procedure, the City scheduled a public hearing for Tuesday, June 2, 2026, at 6:30 p.m., at the Ontario City Hall, Council Chambers, 303 East "B" Street, Ontario, California, and gave to each person whose property is to be acquired and whose name and address appeared on the last equalized county assessment roll, notice and a reasonable opportunity to appear at said hearing and be heard on the matters referred to in Section 1240.030 of the California Code of Civil Procedure; and

WHEREAS, said hearing has been held by the City and each person whose property is to be acquired by eminent domain was afforded an opportunity to be heard on said matters; and

WHEREAS, the City may now adopt a Resolution of Necessity pursuant to Section 1240.040 of the California Code of Civil Procedure.

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

SECTION 1. Compliance with California Code of Civil Procedure and California Environmental Quality Act. There has been compliance by the City with the requirements of Section 1245.235 of the California Code of Civil Procedure and the California Environmental Quality Act.

SECTION 2. Public Use. The public use of the real property interest to be acquired is to facilitate the development of housing as part of the Project, located in the City of Ontario, San Bernardino County, State of California, for the benefit of the public. Section 37350.5 of the California Government Code authorizes the City to acquire by eminent domain real property necessary for such purposes.

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SECTION 3. Description of Property. Attached and marked as Exhibit 1 is the legal description and depiction of the real property interest to be acquired by the City, which describes the general location and extent of the property interest to be acquired with sufficient detail for reasonable identification.

SECTION 4. Findings. The City hereby finds and determines each of the following:

(a) The public interest and necessity require the Project;
(b) The Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;
(c) The fee simple interest described in Exhibit 1 is necessary for the Project;
(d) The offer required by Section 7267.2 of the California Government Code was made.

SECTION 5. Use Not Unreasonably Interfering with Existing Public Use: Some or all of the real property to be acquired may be subject to easements and rights-of-way appropriated to existing public uses. The legal descriptions of these easements and rights-of-way are on file with the City and describe the general location and extent of the easements and rights-of-way with sufficient detail for reasonable identification. In the event the herein described use or uses will not unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, counsel for the City is authorized to acquire the fee interest subject to such existing public use(s) pursuant to Section 1240.510 of the California Code of Civil Procedure.

SECTION 6. More Necessary Public Use. Some or all of the real property to be acquired may be subject to easements and rights-of-way appropriated to existing public uses. To the extent that the herein described use or uses will unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, the City finds and determines that the herein described use or uses are more necessary than said existing public use. Counsel for the City is authorized to acquire the real property appropriated to such existing public use(s) pursuant to Section 1240.610 of the California Code of Civil Procedure. Staff is further authorized to make such improvements to the real property being acquired that it determines is reasonably necessary to mitigate any adverse impact upon the existing public use.

SECTION 7. Further Activities. Counsel for the City is hereby authorized to file legal proceedings necessary to acquire the hereinabove described real property in the name of and on behalf of the City by eminent domain, and counsel is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Legal counsel is further authorized to take such steps as may be authorized and required by law, and to make such security deposits as may be required by order of court, to permit the City to take possession of and use said real property at the earliest possible time. Counsel is further authorized to correct any errors or to make or agree to non-material changes in the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transactions required to acquire the subject real property.

`

SECTION 8. Effective Date. This Resolution shall take effect upon adoption.

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

PASSED, APPROVED, AND ADOPTED this 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT 1

EXHIBIT "A"

Legal Description

For APN/Parcel ID(s): 0110-061-10-0-000

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

THE WEST 2 ACRES OF LOT 1017, ACCORDING TO MAP OF ONTARIO, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 11 OF MAPS, PAGE 6, RECORDS OF SAID COUNTY.

EXCEPT THE NORTH 20 FEET, THE SOUTH 13 FEET OF THE NORTH 33 FEET, THE WEST 44 FEET AND THE SOUTH 10 FEET DEEDED TO THE CITY OF ONTARIO FOR STREET PURPOSES.

THE HEREIN DESCRIBED PROPERTY IS ALSO SHOWN ON LICENSED LAND SURVEYORS MAP RECORDED IN BOOK 7 OF RECORD OF SURVEYS PAGE 35, RECORDS OF SAID COUNTY.

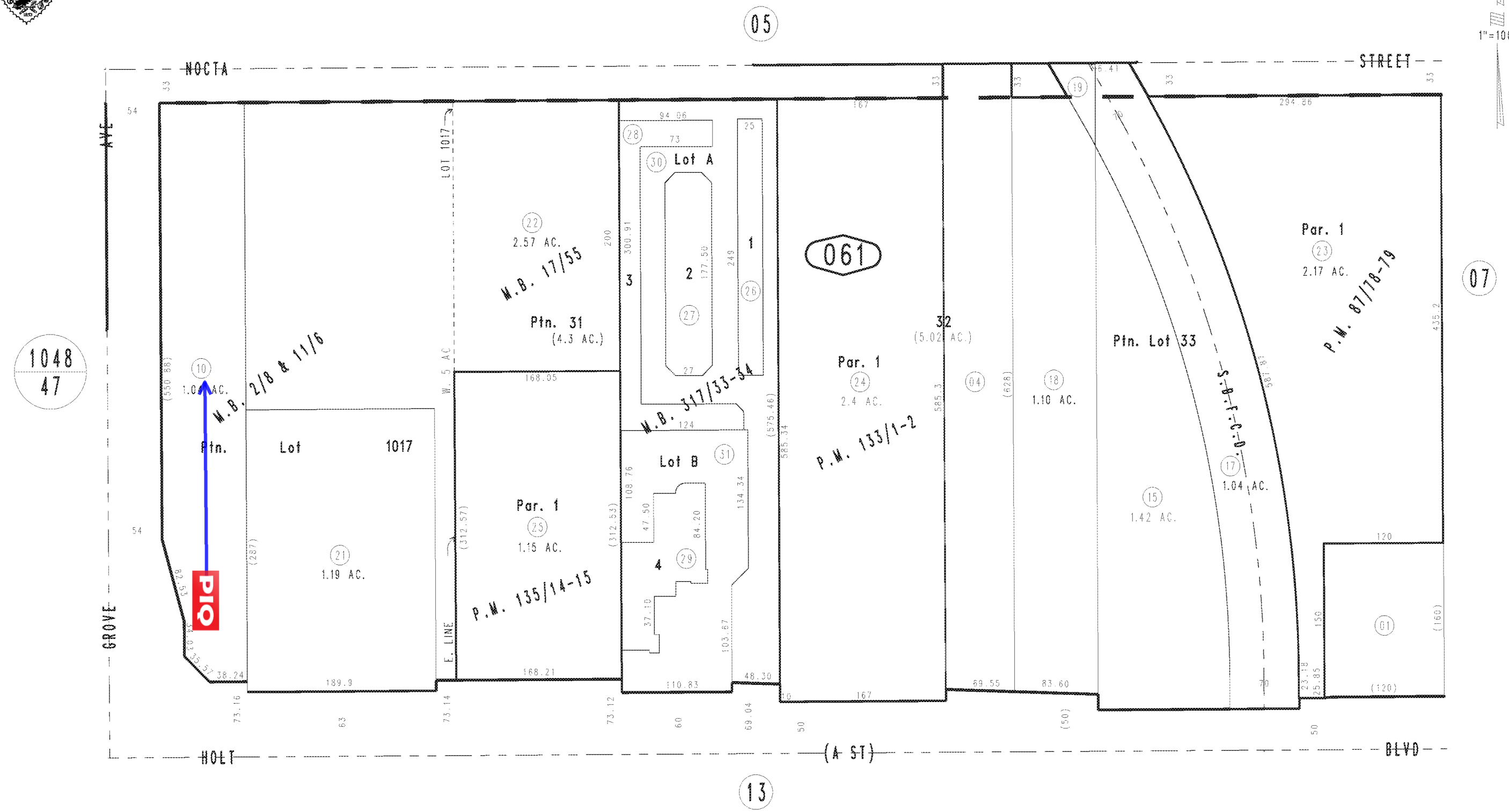
THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.

Ptn. Ontario Colony Lands
M.B. 2/8 & 11/6
Ptn. Orange Park Tract
M.B. 17/55

City of Ontario
Tax Rate Area
4001

0110 - 06

1"=100'



Tract No. 17993, M.B. 317/33-34
Parcel Map No. 10958, P.M. 135/14-15
Parcel Map No. 10241, P.M. 133/1-2
Parcel Map No. 7768, P.M. 87/78-79

Ptn. S.E. 1/4, Sec. 21
T.1S., R.7W.

Assessor's Map
Book 0110 Page 06
San Bernardino County

REVISED
03/08/23 JH
12/14/23 KA
01/05/24 KA
07/11/24 CA
05/27/25 CA
07/11/25 RU

October 2004

This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

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RESOLUTION NO. _____

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1207 EAST HOLT BOULEVARD, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NO. 0110-061-10-0-000, FOR THE GROVE AND HOLT HOUSING PROJECT, IN ONTARIO, CALIFORNIA.

WHEREAS, the City of Ontario (the "City") proposes to acquire, by eminent domain, a fee simple interest in certain real property located at 1207 East Holt Boulevard, in the City of Ontario, County of San Bernardino, State of California, more particularly described as Assessor's Parcel No. 0110-061-10-0-000, for the Grove and Holt Housing Project (the "Project"). The Project will facilitate the development of much-needed housing, support community growth, and enhance economic vitality in the surrounding area, and the City's acquisition of such property is in accordance with the authority granted by Section 37350.5 of the California Government Code; and

WHEREAS, pursuant to Section 1245.235 of the California Code of Civil Procedure, the City scheduled a public hearing for Tuesday, June 2, 2026, at 6:30 p.m., at the Ontario City Hall, Council Chambers, 303 East "B" Street, Ontario, California, and gave to each person whose property is to be acquired and whose name and address appeared on the last equalized county assessment roll, notice and a reasonable opportunity to appear at said hearing and be heard on the matters referred to in Section 1240.030 of the California Code of Civil Procedure; and

WHEREAS, said hearing has been held by the City and each person whose property is to be acquired by eminent domain was afforded an opportunity to be heard on said matters; and

WHEREAS, the City may now adopt a Resolution of Necessity pursuant to Section 1240.040 of the California Code of Civil Procedure.

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

SECTION 1. Compliance with California Code of Civil Procedure and California Environmental Quality Act. There has been compliance by the City with the requirements of Section 1245.235 of the California Code of Civil Procedure and the California Environmental Quality Act.

SECTION 2. Public Use. The public use of the real property interest to be acquired is to facilitate the development of housing as part of the Project, located in the City of Ontario, San Bernardino County, State of California, for the benefit of the public. Section 37350.5 of the California Government Code authorizes the City to acquire by eminent domain real property necessary for such purposes.

`

SECTION 3. Description of Property. Attached and marked as Exhibit 1 is the legal description and depiction of the real property interest to be acquired by the City, which describes the general location and extent of the property interest to be acquired with sufficient detail for reasonable identification.

SECTION 4. Findings. The City hereby finds and determines each of the following:

(a) The public interest and necessity require the Project;
(b) The Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;
(c) The fee simple interest described in Exhibit 1 is necessary for the Project;
(d) The offer required by Section 7267.2 of the California Government Code was made.

SECTION 5. Use Not Unreasonably Interfering with Existing Public Use: Some or all of the real property to be acquired may be subject to easements and rights-of-way appropriated to existing public uses. The legal descriptions of these easements and rights-of-way are on file with the City and describe the general location and extent of the easements and rights-of-way with sufficient detail for reasonable identification. In the event the herein described use or uses will not unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, counsel for the City is authorized to acquire the fee interest subject to such existing public use(s) pursuant to Section 1240.510 of the California Code of Civil Procedure.

SECTION 6. More Necessary Public Use. Some or all of the real property to be acquired may be subject to easements and rights-of-way appropriated to existing public uses. To the extent that the herein described use or uses will unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, the City finds and determines that the herein described use or uses are more necessary than said existing public use. Counsel for the City is authorized to acquire the real property appropriated to such existing public use(s) pursuant to Section 1240.610 of the California Code of Civil Procedure. Staff is further authorized to make such improvements to the real property being acquired that it determines is reasonably necessary to mitigate any adverse impact upon the existing public use.

SECTION 7. Further Activities. Counsel for the City is hereby authorized to file legal proceedings necessary to acquire the hereinabove described real property in the name of and on behalf of the City by eminent domain, and counsel is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Legal counsel is further authorized to take such steps as may be authorized and required by law, and to make such security deposits as may be required by order of court, to permit the City to take possession of and use said real property at the earliest possible time. Counsel is further authorized to correct any errors or to make or agree to non-material changes in the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transactions required to acquire the subject real property.

`

SECTION 8. Effective Date. This Resolution shall take effect upon adoption. The City Clerk of the City of Ontario shall certify the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 2nd day of June, 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

_____
BEST, BEST & KRIEGER LLP
CITY ATTORNEY

`

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026-_____ was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026-_____ duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT 1

EXHIBIT "A"

Legal Description

For APN/Parcel ID(s): 0110-061-21-0-000

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

PARCEL NO. 1:

THE SOUTH 287.00 FEET OF THE WEST 188.90 FEET OF THE EAST 3 ACRES OF THE WEST 5 ACRES OF LOT 1017, MAP OF ONTARIO, AS PER PLAT RECORDED IN BOOK 11, PAGE 6, OF MAPS, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

EXCEPT THE INTEREST IN THE SOUTH 10.00 FEET THEREOF AS CONVEYED TO THE CITY OF ONTARIO, FOR STREET PURPOSES BY THE DEED RECORDED MARCH 9, 1936 IN BOOK 3881, PAGE 540 OFFICIAL RECORDS.

PARCEL NO. 2:

AN EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS THE EAST 20.00 FEET OF THE SOUTH 287.00 FEET OF THE WEST 208.90 FEET OF THE EAST 3 ACRES OF THE WEST 5 ACRES OF LOT 1017, MAP OF ONTARIO, AS PER PLAT RECORDED IN BOOK 11, PAGE 6, OF MAPS, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

EXCEPT THE INTEREST IN THE SOUTH 10.00 FEET THEREOF AS CONVEYED TO THE CITY OF ONTARIO FOR STREET PURPOSES BY THE DEED RECORDED MARCH 9, 1936 IN BOOK 3881, PAGE 540, OFFICIAL RECORDS.

This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

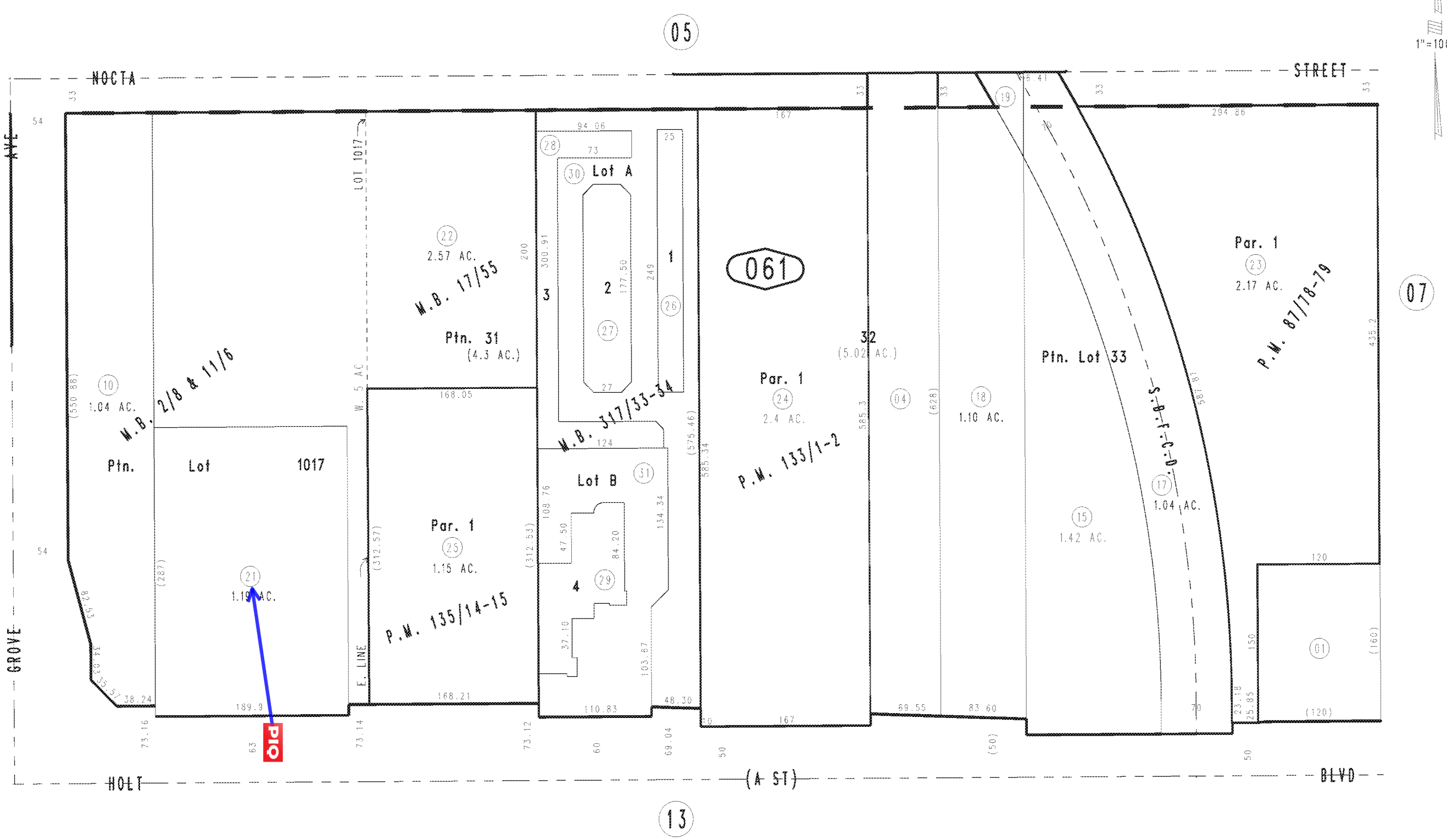
THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.

Ptn. Ontario Colony Lands
M.B. 2/8 & 11/6
Ptn. Orange Park Tract
M.B. 17/55

City of Ontario
Tax Rate Area
4001

0110 - 06

1"=100'



Tract No. 17993, M.B. 317/33-34
Parcel Map No. 10958, P.M. 135/14-15
Parcel Map No. 10241, P.M. 133/1-2
Parcel Map No. 7768, P.M. 87/78-79

October 2004

Ptn. S.E. 1/4, Sec. 21
T.1S., R.7W.

Assessor's Map
Book 0110 Page 06
San Bernardino County

REVISED
03/08/23 JH
12/14/23 KA
01/05/24 KA
07/11/24 CA
05/27/25 CA
07/11/25 RU

NOTICE OF HEARING TO PROPERTY OWNER

Pursuant to Section 1245.235 of the California Code of Civil Procedure, you are hereby notified that at a regular meeting to be held on Tuesday, June 2, 2026 at 6:30 p.m., at Ontario City Hall, City Council Chambers, 303 East B Street, Ontario, California, the City Council of the City of Ontario intends to consider adopting a Resolution of Necessity authorizing the commencement of eminent domain proceedings for the acquisition, for public use, of the fee in certain real property which, according to the last equalized county assessment roll, you own. The public use and project for which this Resolution of Necessity will be considered is for the NE Corner of Holt & Grove Housing Project. The description of the property to be acquired is attached as **Exhibit "1"** to this notice.

A hearing will be held at the time and place mentioned above. You have the right to appear and be heard on the following matters:

1. Whether the public interest and necessity require the project for which the property is sought to be acquired.
2. Whether the project is planned or located in the manner that will be most compatible with the greatest public good and least private injury.
3. Whether the property is necessary for the proposed project.
4. Whether the offer required by Section 7267.2 of the California Government Code has been made.

Members of the public may utilize alternative measures established by the City of Ontario to view the City council meetings and/or to address the Mayor and City Council Members.

The meeting will be live broadcast on local cable Channel 3 as well as internet live streamed:: **www.ontarioca.gov/Agendas/CityCouncil**.

TO PROVIDE PUBLIC COMMENT:

Online: You may submit your comments online by filling out a Public Comment Form no later than 4 PM on the day of the meeting. You may also submit your comments by email no later than 4 PM on the day of the meeting by emailing your name, agenda item you are commenting on and your comments to publiccomments@ontarioca.gov. All comments received by the deadline will be forwarded to the City Council for consideration before action is taken on the matter.

Mail: To submit your comments by mail, provide your name, agenda item you are commenting on, and your comments by mailing to Records Management, Ontario City Hall, 303 East "B" Street, Ontario, CA 91764. Comments by mail must be received in the Records Management Department no later than 4:00 p.m. on the day of the meeting. Postmarks are not accepted. All comments received by the deadline will be provided to the City Council for consideration before action is taken on the matter.

This is a public meeting, and the City reserves the right to revert it to an in-person meeting.

Please be advised, your failure to file a written request to appear and be heard within 15 days after the mailing of this notice may result in the waiver of your right to appear and be heard.

ALL COMMUNICATIONS SHOULD BE ADDRESSED TO:

Sheila Mautz
City Clerk
City of Ontario
303 East B Street
Ontario, California 91764

DATE OF HEARING: Tuesday, June 2, 2026
6:30 p.m.

PLACE OF HEARING: City Council Chambers
Ontario City Hall
City of Ontario
303 East B Street
Ontario, California 91764

DATED: _____,2026

BEST BEST & KRIEGER LLP

By: _____
Mark A. Easter
Attorney for City of Ontario

PROOF OF MAILING NOTICE

I, Mandy Villareal, acting on behalf of the City of Ontario, hereby certify that on _____, 2026, I mailed a copy of the attached notice by first-class mail to the following owners of real property located in the County of San Bernardino, State of California, more particularly described as Assessor's Parcel No. 0110-061-10-0-000

Crossroad Ontario, LLC, a California limited liability company c/o Yoon Ku Byun, Agent for Service of Process 23550 Alessandro Blvd., #104 Moreno Valley, CA 92553	Record Owner
	Record Owner

DATED: _____, 2026

_____

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A hearing will be held at the time and place mentioned above. You have the right to appear and be heard on the following matters:

1. Whether the public interest and necessity require the project for which the property is sought to be acquired.
2. Whether the project is planned or located in the manner that will be most compatible with the greatest public good and least private injury.
3. Whether the property is necessary for the proposed project.
4. Whether the offer required by Section 7267.2 of the California Government Code has been made.

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ALL COMMUNICATIONS SHOULD BE ADDRESSED TO:

Sheila Mautz
City Clerk
City of Ontario
303 East B Street
Ontario, California 91764

DATE OF HEARING: Tuesday, June 2, 2026
6:30 p.m.

PLACE OF HEARING: City Council Chambers
Ontario City Hall
City of Ontario
303 East B Street
Ontario, California 91764

DATED: _____,2026

BEST BEST & KRIEGER LLP

By: _____
Mark A. Easter
Attorney for City of Ontario

PROOF OF MAILING NOTICE

I, Mandy Villareal, acting on behalf of the City of Ontario, hereby certify that on _____, 2026, I mailed a copy of the attached notice by first-class mail to the following owners of real property located in the County of San Bernardino, State of California, more particularly described as Assessor's Parcel No. 0110-061-21-0-000

1217 Holt, LLC, a California limited liability company c/o Frida Zakaryan, Agent for Service of Process 8739 McLennan Avenue Northridge, CA 91343	Record Owner
	Record Owner

DATED: _____, 2026

_____

June 2, 2026

CONFIDENTIAL
NOT FOR PUBLIC DISCLOSURE
ATTORNEY-CLIENT PRIVILEGE

MEMORANDUM

TO: MAYOR, CITY COUNCIL, AND CITY MANAGER OF THE CITY OF ONTARIO

FROM: CITY ATTORNEY

RE: RESOLUTION OF NECESSITY BY THE CITY OF ONTARIO FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTIES LOCATED AT 1207 EAST HOLT BOULEVARD AND 1217 EAST HOLT BOULEVARD, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NOS. 0110-061-10-0-000 AND 0110-061-21-0-000, FOR THE NE CORNER OF HOLT & GROVE HOUSING PROJECT, IN ONTARIO, CALIFORNIA

The City of Ontario is considering a proposed Resolution of Necessity to initiate condemnation proceedings to acquire a fee simple interest in certain real properties located at 1207 East Holt Boulevard and 1217 East Holt Boulevard, Ontario, California, more particularly described as Assessor's Parcel Nos. 0110-061-10-0-000 and 0110-061-21-000, for the NE Corner of Holt & Grove Housing Project. The hearing is set for Tuesday, June 2, 2026. Notice of this hearing has been sent to the affected property owners.

After the hearing is opened, a staff member, preferably the City Clerk, should note for the record the proof of mailing of the notice of hearing to the affected property owners. The notice of hearing invited the property owners to appear and be heard on the matters described below. If

a written request to appear at the hearing is made, then the owner or its representatives must be allowed to speak.

Under Eminent Domain Law, no one other than a person with an interest in the property is legally entitled to speak at the hearing. Amendments to the Brown Act suggest, however, that the public may be entitled to speak at the hearing. We recommend that the City initially limit all public comment to those persons who have an ownership interest in the properties. This is advisable because the purpose of the hearing is to give property owners an opportunity to present their position as to whether or not condemnation should be initiated. After any property owner has had the opportunity to speak, the public may participate.

The only issues to be addressed at the hearing on the resolution are:

(a) Whether the public interest and necessity require the proposed project;

(b) Whether the proposed project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;

(c) Whether the real property described in the resolution is necessary for the proposed project; and

(d) Whether the required offer to purchase the real property was made.[1]

A representative of the City should make a presentation giving the basis for acquiring the real property and explaining the project. Each of the findings listed above should be addressed in the report.

[1] The fair market value of the property is not an issue to be discussed at the hearing.

In the course of the public hearing, no members of the City Council should suggest that they have prejudged the issue as to whether condemnation proceedings should be initiated. The purpose of the hearing is to review that very question. The hearing should be conducted in a way that provides a full and fair opportunity for the involved owners to present their views on the potential condemnation.

After owners and public comments have been made, a vote should be taken on adoption of the resolution. (It is not recommended that the City Council go into closed session to consider how to vote on the resolution.) The resolution will only be adopted if two-thirds of the City Council vote to adopt. That means that at least four members of the City Council must vote in favor of the resolution for it to be adopted. If there will not be a sufficient number of Council members at the hearing, you may wish to continue the hearing. In this regard, it is also important for counsel to be informed if any member of the City Council has an interest in any property or business that may be affected by the proposed project or acquisition.

If the resolution is adopted, counsel will initiate condemnation proceedings and, if so instructed, will attempt to obtain an order for prejudgment possession of the property. Legally, the City does not need to file a condemnation lawsuit right away, but in any event should file the lawsuit within six months after the adoption of the resolution in order to avoid exposure to a suit in inverse condemnation.

Attached to this memorandum is a proposed agenda (script) for conducting the hearing. This is simply a guide for the presiding officer at the hearing to know what steps to follow in the course of the hearing. Also included is the proposed resolution of necessity authorizing

condemnation. The original notice of hearing that was sent to the property owner and proof of mailing is on file with the City Clerk's office.

If you have any questions, please do not hesitate to contact us.

MARK EASTER

Enclosure

AGENDA

City of Ontario

June 2, 2026

1. THE PRESIDING OFFICER OPENS THE HEARING.

2. THE RESIDING OFFICER EXPLAINS THAT THIS IS A HEARING ON A RESOLUTION OF NECESSITY FOR THE ACQUISITION, BY EMINENT DOMAIN, OF A FEE SIMPLE INTEREST IN CERTAIN REAL PROPERTIES LOCATED AT 1207 EAST HOLT BOULEVARD AND 1217 EAST HOLT BOULEVARD, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS ASSESSOR'S PARCEL NOS. 0110-061-10-0-000 AND 0110-061-21-0-000, FOR THE NE CORNER OF HOLT & GROVE HOUSING PROJECT, IN ONTARIO, CALIFORNIA.

3. PRESIDING OFFICER REQUESTS THAT THE CITY'S LEGAL COUNSEL EXPLAIN THE NATURE AND SCOPE OF THE HEARING.

4. PRESIDING OFFICER CALLS UPON THE CITY CLERK TO CONFIRM THAT NOTICE OF THIS HEARING WAS MAILED TO THE AFFECTED PROPERTY OWNERS.

5. PRESIDING OFFICER CALLS UPON STAFF FOR A REPORT ON HOW THE REAL PROPERTY TO BE ACQUIRED RELATES TO THE CITY'S PURPOSES.

6. PRESIDING OFFICER CALLS FOR THE CITY CLERK TO NOTE ALL WRITTEN OBJECTIONS, PROTESTS, AND REQUESTS TO BE HEARD WHICH HAVE BEEN FILED, RECEIVED, READ AND CONSIDERED.

7. PRESIDING OFFICER CALLS UPON ALL PERSONS WITH AN INTEREST IN THE PROPERTIES WHO WISH TO BE HEARD TO COME FORWARD.

8. PRESIDING OFFICER CALLS UPON ALL OTHER PERSONS WHO WISH TO BE HEARD.

9. AT THIS POINT, THE PRESIDING OFFICER CAN GIVE STAFF AND/OR LEGAL COUNSEL THE OPPORTUNITY TO COMMENT/RESPOND TO ANY OBJECTIONS. ALTERNATIVELY, THE PRESIDING OFFICER CAN SIMPLY OPEN THE MATTER UP FOR DISCUSSION/QUESTIONS WITH THE OTHER CITY COUNCIL MEMBERS.

10. IF THERE ARE NO OTHER QUESTIONS OR COMMENTS, THE PRESIDING OFFICER CLOSES THE HEARING AND ASKS IF THERE IS A MOTION.

11. THE MOTION IS MADE AND A VOTE IS TAKEN AS TO WHETHER TO ADOPT THE RESOLUTION OF NECESSITY.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **PUBLIC HEARINGS**
Department: Utilities Prepared By: Thomas Lambertson Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Courtney Jones, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 29

SUBJECT: **A PUBLIC HEARING TO RECEIVE AND RESPOND TO PUBLIC COMMENTS ON THE DRAFT 2025 URBAN WATER MANAGEMENT PLAN, DRAFT WATER SHORTAGE CONTINGENCY PLAN, AND RESOLUTIONS ADOPTING THE 2025 URBAN WATER MANAGEMENT PLAN AND WATER SHORTAGE CONTINGENCY PLAN**

RECOMMENDATION:

That the City Council:

A. Conduct a public hearing to receive and respond to Public Comments on the Draft 2025 Urban Water Management Plan and Draft Water Shortage Contingency Plan.
B. Adopt Resolutions adopting the 2025 Urban Water Management Plan and Water Shortage Contingency Plan.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Invest in the Growth and Evolution of the City's Economy
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The water programs described in the Draft 2025 Urban Water Management Plan are consistent with City Council approved goals, objectives, and budgets for water supplies, conservation programs, and other related activities. There is not a fiscal impact associated with this action.

BACKGROUND & ANALYSIS:

The California Urban Water Management Planning Act (Water Code Section 10610, et. seq. (the Act)) mandates that every urban water supplier providing water for municipal purposes to more than 3,000 customers, or annually supplying more than 3,000 acre-feet of water, prepare an Urban Water Management Plan (UWMP) every five years to specify long-term water resource planning

objectives and ensure adequate water supplies to meet existing and future demands. The Act also mandates the preparation and adoption of a Water Shortage Contingency Plan (WSCP) as part of the UWMP to provide a detailed approach of how the City intends to act, or respond, in the case of an actual water shortage contingency.

The 2025 UWMP and WSCP are required to be adopted by City Council and submitted to the California Department of Water Resources (DWR) by July 1, 2026.

Ontario Municipal Utilities Company (OMUC) participated in a joint effort with ten participating agencies, governed by a cost sharing agreement, to have Water Systems Consulting, Inc. (WSC) develop the 2025 UWMP and WSCP in accordance with State guidelines and requirements. The Draft 2025 UWMP has been developed in coordination with the UWMPs prepared by the Water Facilities Authority (WFA), Inland Empire Utilities Agency (IEUA), and the Chino Basin Desalter Authority (CDA) to ensure regional consistency. The Act requires an UWMP to describe and evaluate sources of supply, reasonable and practical efficient water uses, such as recycling, and water demand management activities. It also requires an UWMP to evaluate the capability to supply water in drought periods as well as normal years. The Draft 2025 UWMP also outlines the City's compliance with Senate Bill SB X7-7 which required a 20% reduction in per capita water consumption. In addition, the Draft 2025 UWMP is written to be used as a foundation for preparing water supply assessments and written verifications as required by Senate Bills 610 and 221 for new projects subject to CEQA consisting of more than 500 dwelling units or equivalent water use. The Draft WSCP is incorporated within the Draft 2025 UWMP as a chapter.

The City purchases locally treated State Water Project (SWP) imported water directly from the WFA. WFA obtains this water from the IEUA, the member agency of the SWP Contractor (Metropolitan Water District). Through the SWP, the City may indirectly receive water through a proposed covered action, such as a multi-year water transfer, conveyance facility, or new diversion that involves transferring water through, exporting water from, or use of water within the Delta. Through an Appendix in the Draft 2025 UWMP, the City is providing information that may be used in the covered action process to demonstrate consistency with the Delta Plan Policy WR P1 to Reduce Reliance on the Delta Through Improved Regional Water Self-Reliance [California Code of Regulations (CCR), Title 23, § 5003].

The City has always actively managed its water resources for the population that it serves to ensure the quality, quantity, and reliability of its water supply in a cost-effective manner. In accordance with "The Ontario Plan," the City has developed its own Water, Recycled Water and Sewer Master Plans and recognizes IEUA's Regional Water Use Efficiency Business Plan. Collectively, these planning documents act as the City's road map for ensuring reliable, cost-effective, and environmentally responsible water supplies for the next 25 years. This approach follows the City's vision goal of "A sustained, community-wide prosperity which continuously adds value and yields benefits." The Draft 2025 UWMP meets the City's vision goal by proactively analyzing the present, past, and future state of the water supply and builds upon the foundations laid out by "The Ontario Plan."

RESOLUTION. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING THE 2025 URBAN WATER MANAGEMENT PLAN (UWMP).

WHEREAS, The California Urban Water Management Planning Act, (Wat. Code § 10610, et seq. (the Act)), mandates that every urban supplier of water providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre feet of water annually, prepare, and adopt an Urban Water Management Plan (UWMP); and

WHEREAS, the Act generally requires that said UWMP be updated and adopted at least once every five years on or before July 1, in years ending in six and one; and

WHEREAS, pursuant to recent amendments to the Act, urban water suppliers are required to update and electronically submit their 2025 UWMP to the California Department of Water Resources (DWR) by July 1, 2026; and

WHEREAS, pursuant to Water Conservation Act of 2009, also referred to as SB X7-7 (Wat. Code § 10608 et seq.), an “urban retail water supplier” is defined as a water supplier that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre feet of potable water annually at retail for municipal purposes, and an “urban wholesale water supplier” is defined as a water supplier that provides more than 3,000 acre feet of water annually at wholesale for potable municipal purposes; and

WHEREAS, the City of Ontario meets the definition of an urban retail water supplier for purposes of the Act and SB X7-7; and

WHEREAS, the City of Ontario has prepared an 2025 UWMP in accordance with the Act and SB X7-7, and in accordance with applicable legal requirements, has undertaken certain coordination, notice, public involvement, public comment, and other procedures in relation to its 2025 UWMP; and

WHEREAS, in accordance with the Act and SB X7-7, the City of Ontario has prepared its 2025 UWMP with its own staff, with the assistance of consulting professionals, and in cooperation with other governmental agencies, and has utilized and relied upon industry standards and the expertise of industry professionals in preparing its 2025 UWMP, and has also utilized DWR’s Urban Water Management Plan Guidebook 2025, including its related appendices, in preparing its 2025 UWMP; and

WHEREAS, in accordance with applicable law, including Water Code sections 10608.26 and 10642, and Government Code section 6066, a Notice of a Public Hearing regarding the City of Ontario’s 2025 UWMP was published within the jurisdiction of the City of Ontario on May 19, 2026 and May 26, 2026; and

WHEREAS, in accordance with applicable law, including but not limited to Water Code sections 10608.26 and 10642, a public hearing was held on June 2, 2026 at 6:30 PM, or soon thereafter, in City of Ontario City Hall in order to provide members of the public and other interested entities with the opportunity to be heard in connection with proposed adoption of the 2025 UWMP and issues related thereto; and

WHEREAS, pursuant to said public hearing on City of Ontario's 2025 UWMP, City of Ontario, among other things, encouraged the active involvement of diverse social, cultural, and economic members of the community within City of Ontario's service area with regard to the 2025 UWMP and encouraged community input regarding City of Ontario's 2025 UWMP; and

WHEREAS, the City Council of the City of Ontario has reviewed and considered the purposes and requirements of the Act and SB X7-7, the contents of the 2025 UWMP, and the documentation contained in the administrative record in support of the 2025 UWMP, and has determined that the factual analyses and conclusions set forth in the 2025 UWMP are legally sufficient; and

WHEREAS, the City Council of the City of Ontario desires to adopt the 2025 UWMP prior to July 1, 2026 in order to comply with the Act and SB X7-7; and

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

1. The City of Ontario's 2025 UWMP is hereby adopted as amended by changes incorporated by the City Council of the City of Ontario as a result of input received (if any) at the public hearing and ordered filed with the Secretary of the City Council of the City of Ontario.

2. The Utilities General Manager is hereby authorized and directed to include a copy of this Resolution in the City of Ontario's 2025 UWMP.

3. The Utilities General Manager is hereby authorized and directed, in accordance with Water Code sections 10621(d) and 10644(a)(1)-(2), to electronically submit a copy of the 2025 UWMP to the DWR no later than July 1, 2026.

4. The Utilities General Manager is hereby authorized and directed, in accordance with Water Code section 10644(a), to submit a copy of the 2025 UWMP to the California State Library, and any city of county within which the City of Ontario provides water supplies no later than thirty (30) days after this adoption date.

5. The Utilities General Manager is hereby authorized and directed, in accordance with Water Code section 10645, to make the 2025 UWMP available for public review at the City of Ontario's offices during normal business hours or on its website at https://www.ontarioca.gov/government/municipal-utilities-company/water-quality no later than thirty (30) days after filing a copy of the UWMP with DWR.

6. The Utilities General Manager is hereby authorized and directed, in accordance with Water Code Section 10635(c), to provide that portion of the 2025 UWMP prepared pursuant to Water Code Section 10635(a)-(b) to any city or county within which the City of Ontario provides water supplies no later than sixty (60) days after submitting a copy of the UWMP with DWR.

7. The Utilities General Manager is hereby authorized and directed to implement the 2025 UWMP in accordance with the Act and SB X7-7 and to provide recommendations to the City Council of the City of Ontario regarding the necessary budgets, procedures, rules, regulations, or further actions to carry out the effective and equitable implementation of the 2025 UWMP.

8. The document and materials that constitute the record of proceedings on which this Resolution and the above findings have been based are located at City Hall, 303 East “B” Street, Ontario, CA 91764. The custodian for these records is the City Clerk of the City of Ontario.

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

PASSED, APPROVED, AND ADOPTED this 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

2025 URBAN WATER MANAGEMENT PLAN

2025 Urban Water Management Plan

MAY 2026 | CITY OF ONTARIO



CITY OF ONTARIO

2025 Urban Water Management Plan

MAY 2026

Prepared by Water Systems Consulting, Inc

WSC

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ACRONYMS & ABBREVIATIONS

1,2,3-TCP	1,2,3-Trichloropropane
AB	Assembly Bill
AF	Acre-feet
AFY	Acre-feet per year
ANNUAL ASSESSMENT	Annual Water Supply and Demand Assessment
AWWA	American Water Works Association
CBWCD	Chino Basin Water Conservation District
CCWRF	Carbon Canyon Water Recycling Facility
CDA	Chino Basin Desalter Authority
CIMIS	California Irrigation Management Information System
CITY OR ONTARIO	City of Ontario
CWC	California Water Code
DMMS	Demand Management Measures
DRA	Drought Risk Assessment
DWR	Department of Water Resources
DYYP	Dry-Year Yield Program
ERP	Emergency Response Plan
ETO	Evapotranspiration
FEMA	Federal Emergency Management Agency
FY	Fiscal Year
GPCD	Gallons per capita per day
GSP	Groundwater Sustainability Plan
IEUA	Inland Empire Utilities Agency
JPA	Joint Exercise of Powers Agreement

KWH	Kilowatt Hours
LEGISLATURE	State of California Legislature
MCCWL	Making Conservation a California Way of Life
MCCWL REGULATION	Making Conservation a California Way of life Regulation
M&I	Municipal and Industrial
MGD	Million Gallons Per Day
MWD	Metropolitan Water District of Southern California
OBMP	Optimum Basin Management Program
OMC	Old Model Colony
OR	Ontario Ranch
PCE	Perchloroethylene
RP-1	Regional Water Recycling Plant No. 1
RP-2	Regional Water Recycling Plant No. 2
RP-3	Regional Water Recycling Plant No. 3
RP-4	Regional Water Recycling Plant No. 4
RP-5	Regional Water Recycling Plant No. 5
RTP	Regional Transportation Plan
RRA	Risk and Resilience Assessment
SAWCO	San Antonio Water Company
SB	Senate Bill
SBCFCD	San Bernardino County Flood Control District
SCAG	Southern California Association of Governments
SGMA	Sustainable Groundwater Management Act of 2014
STATE WATER BOARD	State Water Resources Control Board
TCE	Trichloroethylene

UWMP	Urban Water Management Plan
UWMP ACT	Urban Water Management Plan Act
UWUO	Urban Water Use Objective
VOCS	Volatile Organic Compounds
WFA	Water Facilities Authority
WSAP	Water Supply Allocation Plan
WSCP	Water Shortage Contingency Plan
WUE	Water Use Efficiency

1 Introduction

This section provides a brief overview of the City of Ontario (City or Ontario) and the purpose of this 2025 Urban Water Management Plan (UWMP). It also describes how the UWMP is organized and its relationship to local and regional planning efforts in which the City is involved.

IN THIS SECTION

- Introduction for the City
- California Water Code
- UWMP Organization and Lay Description
- UWMPs in Relation to Other Efforts
- Funding Eligibility
- Consistency with the Delta Plan

1.1 Introduction for the City

An urban water supplier is defined (pursuant to Section 10617 of the California Water Code (CWC) as:

> *"a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. An urban water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers."*

The City is classified as an urban water supplier because it serves more than 3,000 customers (i.e. individual metered accounts) and it supplies more than 3,000 acre-feet of water annually to its customers for municipal purposes.

In 1983, the State of California Legislature (Legislature) enacted the Urban Water Management Planning Act (UWMP Act). The law requires an urban water supplier to adopt an UWMP every five years by July 1st of years ending in "6" and "1", incorporating updated and new information from the five years preceding each update. This UWMP must demonstrate water supply reliability under both normal and drought conditions for a minimum 20-year planning horizon. The UWMP Act applies to wholesale and retail water suppliers.

Since the original UWMP Act was passed, it has undergone significant expansion. Prolonged droughts, groundwater overdraft, regulatory revisions, and changing climatic conditions affect the reliability of each water supplier as well as statewide water reliability overseen by DWR, the State Water Resources Control Board (State Water Board), and the Legislature. Accordingly, the UWMP Act has grown to address changing conditions. The current requirements for Urban Water Management Plans are found in Sections 10610-10656 and 10608 of the CWC.

In 2018, the Legislature modified the CWC to require a Water Shortage Contingency Plan (WSCP) with specific elements. The WSCP is a document that provides a supplier with an action plan for a drought or catastrophic water supply shortage. CWC 10632 includes requirements for suppliers to prepare a WSCP. The WSCP documents a supplier's plans to manage and mitigate an actual water shortage condition, should one occur because of drought or other impacts on water supplies. The WSCP is a standalone document that can be updated independently of the UWMP, but it can be included as a section of the UWMP or referenced and attached to the 2025 UWMP as an appendix. The WSCP is described in Section 8.

DWR provides guidance for urban water suppliers by preparing a UWMP Guidebook 2025 (Guidebook) (Department of Water Resources, 2025), conducting workshops, developing tools, and providing program staff to help water suppliers prepare comprehensive and useful water management plans, implement water conservation programs, and understand the requirements of the CWC. Suppliers prepare their own UWMPs and submit them to DWR. DWR then reviews the plans for completeness in addressing the CWC. DWR submits a report to the Legislature summarizing the status of the plans for each five-year cycle. The Guidebook was used to complete this 2025 UWMP.

The purpose of this UWMP is for Ontario to evaluate long-term resource planning and establish management measures to ensure adequate water supplies are available to meet existing and future demands. The UWMP provides a framework to help water suppliers maintain efficient use of urban water supplies, promote conservation programs and policies, ensure that sufficient water supplies are available for future beneficial use, and provide a response mechanism during drought conditions or other water supply shortages.

The UWMP is a valuable planning tool used for multiple purposes, including:

- Providing a standardized methodology for water utilities to assess their water resource needs and availability.
- Serving as a resource to the community and other interested parties regarding water supply and demand, conservation, and other water-related information.
- Providing a key source of information for cities and counties when considering approval of proposed new developments and preparing regional long-range planning documents, such as city and county General Plans.
- Informing other regional and Statewide water planning efforts, such as Integrated Regional Water Management Plans and the California Water Plan.

The City's 2025 UWMP provides a framework for long term water supply planning and informs the public of its plans. The City has planned for adequate water supplies for existing and future demands. In addition to these key components, Ontario's UWMP has also developed a stand-alone WSCP which provides guidance for the City's intended actions during a water supply shortage.

1.2 UWMP Organization and Lay Description

The 2025 UWMP is organized as follows:

Section 1 – Introduction

This section provides background information on the UWMP process, new regulatory requirements, and an overview of the information covered throughout the remaining sections. The 2025 UWMP incorporates the California DWR's water use and supply tables (standardized tables) for the reporting and submittal of UWMP data. These tables are included within the respective sections of the 2025 UWMP and in Appendix A. Ontario's coordination efforts with other planning agencies, eligibility to receive grants and loans administered by the State of California, and demonstration of consistency with the Delta Plan are discussed.

Section 2 – Plan Preparation

This section provides information on the processes used to develop the UWMP, including coordination and outreach efforts, the steps taken to prepare City's 2025 UWMP, hold a public hearing, adopt, submit, and implement the 2025 UWMP. The UWMP is prepared as an individual plan to provide Ontario-specific information, with all data presented on a fiscal year (FY) basis (July 1 through June 30) and water quantities reported in acre-feet (AF) or acre-feet-per-year (AFY). The UWMP also describes Ontario's coordination and outreach with wholesale

and retail agencies and the community, as well as its notification process to the cities and county it serves.

Section 3 – System Description

This section describes the City's water system, service area, population demographics, local climate, and land uses. Ontario is bounded by the Cities of Chino and Montclair to the west; the Cities of Rancho Cucamonga and Upland to the north; the City of Fontana to the east; and the Cities of Chino and Eastvale to the south. Ontario provides water service to an area with a current population of 184,404. Ontario is projected to have a population of 410,492 by FY 2050.

Section 4 – Water Use Characterization

This section describes and quantifies the current and projected water uses through 2050 within the water service area. Ontario serves potable water to single family, multi family, commercial, industrial, institutional/governmental, landscape, and other customers. In 2025, the City served a total of 32,619 AFY. The City's water loss within the system is discussed. Ontario has submitted all required water loss audits to the state for the past 5 years. Projected water use in 2050 will reach about 55,704 AFY.

Section 5 – SB X7 Compliance & Future Water Use Efficiency (WUE) Requirements

This section describes water use targets and baselines pursuant to the Water Conservation Act of 2009, also known as Senate Bill 7 of Special Extended Session 7 (SBX7-7). SBX7-7 required all water suppliers to increase WUE to decrease per-capita water consumption by 20 percent by the year 2020. The City met its targeted reduction of 196 gallons per capita per day (GPCD). In 2025, the City had a GPCD of 152.

New WUE standards from the "Making Conservation a California Way of life Regulation" (MCCWL Regulation) supersede SBX7-7 standards. The City plans to implement necessary demand management measures (DMMs) to support meeting the Urban Water Use Objective (UWUO), as described in Sections 5 and 9.

Section 6 – Water Supply Characterization

This section describes and quantifies the current and projected potable and non-potable water supplies, including recycled water. The City's supply portfolio consists of groundwater from the Chino Basin, purchased groundwater from Chino Basin Desalter Authority (CDA), imported water from Metropolitan Water District of Southern California (MWD) (through Inland Empire Utilities Agency (IEUA) which is treated by Water Facilities Authority (WFA), groundwater and surface water purchased from SAWCo, and recycled water purchased from IEUA. In 2025, the City supplied a total of 44,031 AFY. The City is projected to supply a total of 66,232 AFY in 2050.

Section 7 – Water Service Reliability

This section describes the water service reliability through 2050 and includes the Drought Risk Assessment (DRA) for the next five years. Ontario's 2025 UWMP water service reliability assessment and DRA results indicate that no water shortages are anticipated within the next

25-years under normal, single dry water years, and multiple dry water years. The City expects to meet demands under all water year scenarios.

Section 8 – Water Shortage Contingency Plan

The WSCP details procedures for handling potential shortages affecting member agencies. The plan features Annual Water Supply and Demand Assessment (Annual Assessment) procedures, six water shortage stages with corresponding response actions, and coordination among member agencies. It also includes descriptions of emergency response plans and seismic risk assessments for catastrophic events.

Section 9 – Demand Management Measures

This section describes City's efforts to promote conservation and reduce water demand, including discussions of specific DMMs. The City is committed to implementing water conservation programs. Some of these initiatives include public education and outreach programs, rebate programs, and a water rate structure tiered to promote water conservation.

Section 10 – Plan Adoption, Submittal, and Implementation

This chapter summarizes the various requirements to adopt and submit a UWMP and WSCP. Details on public hearing dates, notification letters to local agencies, and how to submit or amend a plan are discussed. Notifications were sent to cities, counties, and relevant agencies at least 60 days prior to the public hearing. The 2025 UWMP and WSCP were made available for public review prior to a public hearing held on June 2, 2026. Ontario adopted the UWMP and WSCP and submitted them to DWR and the California State Library within 30 days of adoption. The plan is available online and at Ontario's headquarters for public inspection. Procedures for amending the UWMP or WSCP involve public hearings, adoption, and timely submissions to state and local entities.

1.3 UWMPs in Relation to Other Efforts

The City's 2025 UWMP was prepared in coordination with land use planning agencies as described in Section 2.3. The City is a member agency of various wholesale agencies including the CDA, IEUA, and the WFA. CDA, IEUA, and WFA have each individually prepared a 2025 UWMP which are incorporated in the City's 2025 UWMP by reference. In addition, the City provided its 2025 UWMP to CDA, IEUA, and WFA, which includes water use projections in five-year increments for a normal year, a single dry year, and a five consecutive year drought over the next 25 years.

The City is a shareholder in, and purchases water from, San Antonio Water Company (SAWCo). The City receives water from SAWCo based upon the City's proportional number of shares and the water supply available to SAWCo. Pursuant to SAWCo's 2025 Approved Budget, the City has an entitlement of 600 AFY with each share equal to 2.035 AF of entitlement.

1.4 UWMPs and Grant or Loan Eligibility

For a water supplier to be eligible for a grant or loan administered by DWR, the supplier must have a current UWMP on file that meets the requirements set forth by the CWC. A current UWMP must also be maintained by the supplier throughout the term of any grants or loans received. The City has prepared the 2025 UWMP under guidance from DWR's 2025 UWMP Guidebook to meet eligibility requirements for grants and loans administered by the State and/or DWR.

1.5 Demonstration of Consistency with the Delta Plan for Participants in Covered Actions

Ontario and WFA are member agencies of IEUA, who has prepared its own 2025 UWMP and WSCP. IEUA's 2025 UWMP provides a demonstration of IEUA's and member agencies' reduced Delta reliance and improved regional self-reliance as described in Appendix B.

2 Plan Preparation

This section provides information on the processes used to develop the UWMP, including efforts in coordination and outreach. The City's 2025 UWMP was prepared consistently with the recommended organization provided in DWR's Guidebook.

IN THIS SECTION

- Basis for Preparing a Plan
- Regional Planning
- Coordination and Outreach

2.1 Basis for Preparing a Plan

As mentioned in Section 1, the CWC requires the City's 2025 UWMP to be submitted to DWR by July 1, 2026. The City is an "urban water supplier" pursuant to Section 10617 of the CWC. In 2025, the City's key water supply metrics in its service area were as follows:

- Served a population of approximately 184,404 people.
- Supplied approximately 32,619 AFY to its customers.
- Maintained 40,520 metered connections.

Throughout this UWMP, water volume is represented in units of AFY, unless otherwise noted, and data is presented on a FY basis which is July 1 through June 30th of the following year. Required DWR tables presenting this information are provided in Table 2-1, Table 2-2, Table 2-3.

Pursuant to CWC requirements, the City's 2025 UWMP incorporates DWR's standardized tables for the reporting and submittal of UWMP data. The standardized tables are provided within the body of the 2025 UWMP text as well as in Appendix A. The City also submitted the UWMP data (from the standardized tables) electronically through DWR's Online Submittal Tool.

Ontario operates two Public Water Systems (PWS) which are regulated by the State Water Board; one for the drinking water system and one for the recycled water system. Table 2-1 provides the public water system number, the number of municipal connections, and the volume of water supplied in 2025.

Table 2-1- Retail Public Water Systems

Public Water System Number	Public Water System Name	Number of Municipal Connections 2025	Volume of Water Supplied 2025
CA3610034	Ontario Municipal Utilities Company	40,520	32,619 AFY

2.2 Regional Planning

Although a member of the IEUA Alliance, the City elected to develop an individual UWMP. The City, IEUA, and its member agencies coordinated with each other to complete their UWMPs (see Section 2.3). Table 2-2 provides information on the City's UWMP identification.

Table 2-2- Plan Identification

Select Only One	Type of Plan
☒	Individual UWMP
☐	Regional Urban Water Management Plan (RUWMP)

Table 2-3- Supplier Identification

Type of Supplier (select one or both)	
☐	Supplier is a wholesale supplier
☒	Supplier is a retail supplier
Fiscal or Calendar Year (select one)	
☐	UWMP Tables are in calendar years
☒	UWMP Tables are in fiscal years
If using fiscal years provide month and date that the fiscal year begins (mm/dd)	
07/01	
Units of measure used in UWMP	
Unit	AF

2.3 Coordination and Outreach

Ontario coordinated with multiple neighboring and stakeholder agencies as well as the public to prepare the 2025 UWMP. The coordinated efforts were conducted to 1) inform these entities of Ontario's efforts and activities; 2) gather high quality data for use in developing this UWMP; and 3) coordinate planning activities with other related regional plans and initiatives.

2.3.1 Wholesale and Retail Coordination

The City is a member agency of CDA, IEUA, and WFA. As indicated in Table 2-4, the City, CDA, IEUA, SAWCo, and WFA, have exchanged supply and demand projections during development of their UWMPs. All UWMPs include water use and supply projections in five-year increments for a normal year, a single dry year, and a five consecutive year drought over the next 25 years.

Table 2-4- Water Supplier Information Exchange

The retail Supplier has informed the following wholesale supplier(s) of projected water use in accordance with Water Code Section 10631 (h).
Wholesale Water Supplier Name
Chino Basin Desalter Authority
Inland Empire Utilities Agency
San Antonio Water Company
Water Facilities Authority
Metropolitan Water District

2.3.2 Coordination With Other Agencies and the Community

The City is a retail water supplier that serves customers in Ontario. The City is required to coordinate the preparation of the UWMP with appropriate agencies in the area, including appropriate water suppliers that share a common source. Therefore, the City coordinated the preparation of its 2025 UWMP with the Chino Basin Watermaster, CDA, Cucamonga Valley Water District (CVWD), Fontana Water Company (FWC), IEUA, Monte Vista Water District (MVWD), MWD, Santa Ana Watershed Project Authority, SAWCo, and WFA.

Per Government Code 6066, the public hearing was noticed in the Inland Valley Bulletin newspaper on May 19, 2026, and noticed again on May 26, 2026. The hearing notices are attached as Appendix C. The public hearing was held on June 2, 2026 at the City Council meeting prior to the UWMP and WSCP adoption. In addition, the City maintained a copy of the 2025 UWMP and WSCP in its office and at https://www.ontarioca.gov/ prior to the public hearing.

The Final 2025 UWMP and WSCP were formally adopted by the City Council on June 2, 2026. A copy of the Adoption Resolution is included in Appendix D. A hard copy of the City's Final 2025 UWMP and WSCP were sent to the California State Library, DWR (electronically using the WUEdata reporting tool), and all cities and counties within the City's service area within 30 days of adoption. To fulfill the requirements of Water Code Section 10642 of the UWMP Act, the City made the Final 2025 UWMP available online (https://www.ontarioca.gov/), and at the City's public office during normal business hours, for public review within 30 days of adoption.

Should the City need to amend the adopted 2025 UWMP or WSCP in the future, the City will hold a public hearing for review of the proposed amendments to the document. The City will send a 60-day notification letter to all cities and counties within the City's service area and notify the public. Notification to the public with be published twice in the newspaper, the first notice being a minimum of two weeks prior to the public hearing. Once the amended document is adopted, a copy finalized version will be sent to the California State Library, DWR (electronically using the WUEdata reporting tool), and all cities and counties within the City's service area within 30 days of adoption. The finalized version will also be made available to the public both online (https://www.ontarioca.gov/) and in person at the City's public office during normal business hours.

2.3.3 Notice to Cities and Counties

CWC Section 10621 requires that suppliers notify cities and counties to which they serve water that the UWMP and WSCP are being updated and reviewed. The CWC specifies that this must be done at least 60 days prior to the public hearing. To fulfill this requirement, the City sent letters of notification of preparation of the 2025 UWMP and 2025 WSCP to all cities and counties within the City's service area 60 days prior to the public hearing. Copies of letters are included in Appendix E to this UWMP.

3 System Description

This section describes the City's water system, service area, population demographics, local climate, and land uses.

IN THIS SECTION

- General Description
- Service Area Boundary Map
- Service Area Climate, Demographics, and Socioeconomics
- Land Uses

3.1 General Description

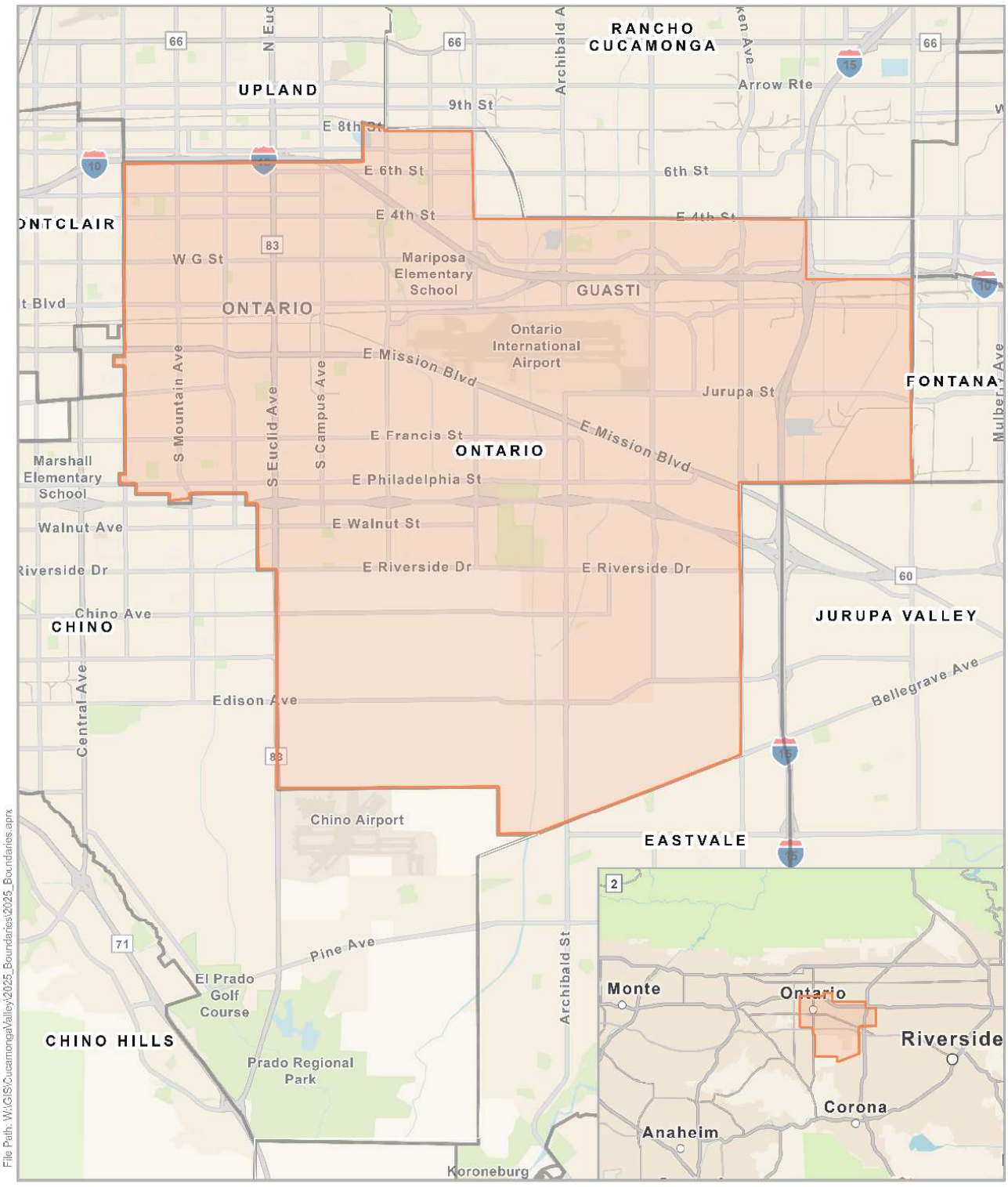
The City was founded in 1881 and was officially incorporated in 1891. The City is located approximately 35 miles easterly of downtown Los Angeles in the County of San Bernardino. The City is bounded by the Cities of Chino and Montclair to the west; the Cities of Rancho Cucamonga and Upland to the north; the City of Fontana to the east; and the Cities of Chino and Eastvale to the south.

The predominant land developments found within the City's service area are residential, commercial, industrial, and agricultural. Since acquiring new land in 1999, the City's service area is divided between two districts known as the OMC and Ontario Ranch (OR). The OMC area is mostly composed of residential, commercial, and industrial developments, including Ontario International Airport, whereas the OR area is predominantly an agricultural development with plans to be redeveloped for residential, commercial, industrial, and public uses. Large areas of the OR already have been or are currently undergoing redevelopment.

3.2 Service Area Boundary Maps

The City's service area covers approximately 49 square miles encompassing most of Ontario. The City's water service area boundary is provided in Figure 3-1.

Figure 3-1- City of Ontario Service Area



3.3 Service Area Climate

Historical climate information was obtained from the National Oceanic and Atmospheric Administration, and from DWR's California Irrigation Management Information System (CIMIS) Station 255 Chino collected from 1999 through 2025. On average, the annual total precipitation is 11.24 inches, with most of the precipitation occurring between December and March. Records show that the monthly average precipitation ranges from 0.02 inches in June to 2.87 inches in February. The annual average total evapotranspiration (ETo) is 49.97 inches. The highest ETo is experienced between April and September, with the peak occurring in July. The City's monthly high temperature ranges from about 66.4 degrees Fahrenheit (°F) in December to 94.4 °F in August, with an average annual temperature of 66.5°F. Table 3-1 shows the average monthly climate data.

Figure 3-2 shows the annual precipitation from 1999 through 2025 and illustrates which years fall above or below the annual average precipitation for this period. As shown by this figure, 2018 was the driest year since 2015 (the peak of the most recent drought), making water management more critical to ensure communities are prepared for the next drought.

Figure 3-2- Annual Precipitation from 1999-2025

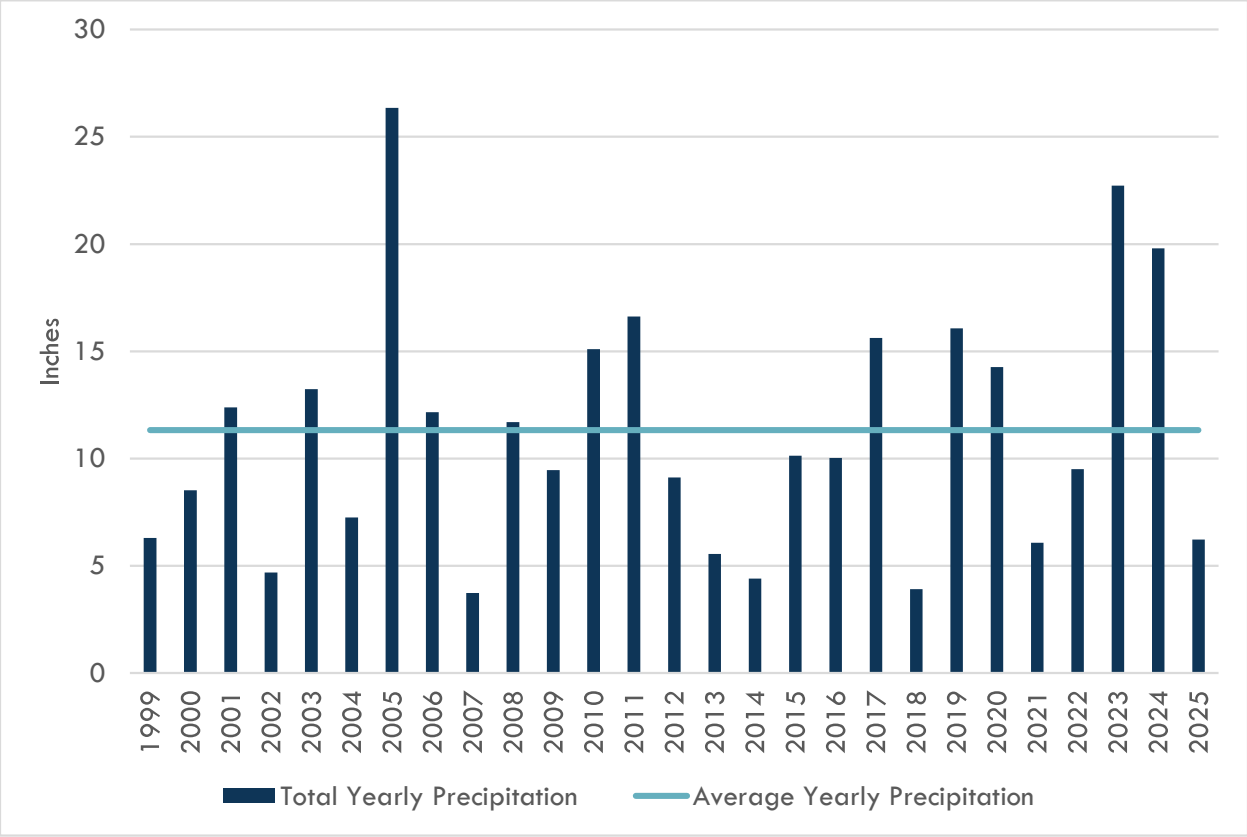


Table 3-1- Average Monthly Climate Data

MONTH	AVERAGE TEMPERATURE (°F)	AVERAGE PRECIPITATION (INCHES)	AVERAGE ETO (INCHES)
January	55.7	2.15	1.97
February	56.2	2.87	2.47
March	59.4	1.61	3.76
April	63.0	0.75	4.74
May	67.5	0.29	5.22
June	73.2	0.02	6.0
July	79.1	0.06	6.74
August	80.0	0.09	6.48
September	77.0	0.12	4.93
October	69.5	0.44	3.51
November	61.3	0.82	2.36
December	54.9	2.02	1.79
MONTHLY AVERAGE:	**66.5**	**0.93**	**4.16**

SOURCES: Historical average monthly precipitation and temperature information was obtained from the National Oceanic and Atmospheric Administration (https://search.usa.gov/search?utf8=%E2%9C%93&affiliate=noaa.gov&query=ontario+ca) from 1999 through 2025 (for Ontario International Airport). Historical monthly average ETo information was obtained from the CIMIS (http://wwwcimis.water.ca.gov) and is based on data collected from Station 255 (Chino).

Changes in climatic conditions may have an impact on water demand and supplies as discussed in Sections 4.4 and 6.9. A discussion of the City's sources of supply, how those sources may be impacted by climate change, and the proactive actions the District and other local/regional water managers may take to address the potential climate change on water supplies and demand is provided in Sections 6 and 7.

3.4 Service Area Population and Demographics

Southern California Association of Governments (SCAG) develops demographic and growth forecasts for the 2025 Connect SoCal Regional Transportation Plan (RTP) (Governments, 2024), including projected population, households, and employment in 2019, 2035, and 2050 across approximately 13,062 transportation analysis zones (TAZs) in the SCAG region. SCAG publishes jurisdiction and TAZ-level data as GIS shapefiles. Since water retailers don't match up perfectly with city boundaries, the TAZ-level projection data posted by SCAG *(https://scag.ca.gov/data-tools-forecasting)* is intersected with the GIS shapefile of the City's water service area in order to clip the data shown in Table 3-2. Estimated growth units within supplier service areas are also shown in Table 3-2. Forecasts are based on land use data, the 2020 Census, and Cycle 6 Regional Housing Needs Assessment (RHNA), and are refined through local review, incorporating land use and zoning information, input from planners, and coordination with local and regional land use authorities.

Table 3-2- SCAG Growth Units & Annual Growth Rates

	2019	2035	2050
Population			
Projection (SCAG)	171,027	197,365	236,911
Annual Growth Rate (Calculated)	-	0.90%	1.22%
Employment			
Projection (SCAG)	120,101	160,362	182,494
Annual Growth Rate (Calculated)	-	1.82%	0.87%
Households			
Projection (SCAG)	49,361	75,550	94,274
Annual Growth Rate (Calculated)	-	2.70%	1.49%

Ontario's 2025 population and population projections shown in Table 3-3 are from, Ontario 2025 Water Master Plan (AKM Consulting Engineers, January 2026).

Table 3-3- Current and Projected Population

POPULATION SERVED	2020	2025	2030	2035	2040	2045	2050
TOTAL:	175,297	184,404	210,602	236,800	252,950	269,100	410,492

Source: Ontario 2025 Water Master Plan (AKM Consulting Engineers, January 2026)

Demographic and socioeconomic data for Ontario are reported in Table 3-4.

Table 3-4- City of Ontario Demographic and Socioeconomic Data

Race and Ethnicity	
Hispanic or Latino	67%
White	12%
Black or African American	6%
American Indian and Alaska Native	1%
Asian	12%
Native Hawaiian and Pacific Islander	<1%
Other or Multiple Races	3%
Income and Households	
Median Household Income	$94,020
Percent Living at or Below Poverty Line	10%
Percent of households owning home	60%
Vacancy Rate	4%

Sources
2020 Decennial Census
2024 American Community Survey 1-Year Estimates
Accessed at: Data.census.gov/profile/Ontario_City,_California

3.5 Land Uses within Service Area

The City reviewed the current and projected land uses within its service area during the preparation of this 2025 UWMP. Information regarding current land uses is included in Table 3-5 from the City's 2025 Water Master Plan.

Ontario anticipates continued population and housing growth through build-out under The City of Ontario Plan, with growth occurring in a phased manner that largely reinforces existing land use patterns. Residential growth includes both single-family and multi-family housing and is directed toward established neighborhoods, mixed-use areas, and infill locations, while employment-generating uses are concentrated in designated activity centers, corridors, and employment districts. Overall, The City of Ontario Plan emphasizes accommodating future population and housing growth through efficient land use, compatible development, and intensification in targeted areas of the City, rather than broad outward expansion or fundamental changes to land use types. The projected population within the City's service area is expected to increase as discussed in Section 3.4. A discussion of the existing and projected water uses for the individual water use sectors within the City's service area, which includes the different land uses, is provided in Section 4.2.

Table 3-5- Ontario Land Use

Land Use Description	Original Model Colony (Acres)	Ontario Ranch (Acres)	Total (Acres)	% of Total
Rural Residential	450	-	450	1.4%
Low Density Residential	4,541	559	5,100	15.9%
Low-Medium Density Residential	148	10	158	0.5%
Medium Density Residential	258	104	362	1.1%
High Density Residential	438	15	453	1.4%
Mobile Home	202	-	202	0.6%
Total Residential	**6,038**	**688**	**6,726**	**21.0%**
Commercial	57	-	57	0.2%
General Commercial	263	-	263	0.8%
Neighborhood Commercial	144	11	155	0.5%
Business Park	115	-	115	0.4%
Office	646	-	646	2.0%
Total Commercial	**1,225**	**11**	**1,236**	**3.9%**
Industrial	2,179	639	2,818	8.8%
Manufacturing	1,746	-	1,746	5.5%
Warehousing	1,851	64	1,915	6.0%
Total Industrial	**5,776**	**703**	**6,479**	**20.2%**
Mixed Use	497	39	536	1.7%
School	448	57	505	1.6%
Hospitality	84	-	84	0.3%
Public Facilities	215	9	224	0.7%
Open Space Recreational	759	42	801	2.5%
Agriculture	175	4,928	5,103	15.9%
Landfill	192	-	192	0.6%
Airport/Transp/Utilities	2,669	344	3,013	9.4%
Street/Parking	262	3	265	0.8%
Not Developed	893	537	1,430	4.5%
Right-of-Way	4,589	839	5,428	17.0%
Total Other	**10,783**	**6,798**	**17,581**	**54.9%**
Grand Total	**23,822**	**8,200**	**32,022**	**100%**

Source: (AKM Consulting Engineers, January 2026)

4 Water Use Characterization

This section describes and quantifies the City's past, current, and future water use through 2050.

IN THIS SECTION

- Non-Potable Versus Potable Water Use
- Past, Current, and Projected Water Use by Sector
- Water Use for Lower Income Households
- Climate Change Considerations

4.1 Non-Potable Versus Potable Water Use

Section 4 addresses the City's potable water demands. Recycled water demands are addressed separately in Section 6.2.2 and a summary is provided in Table 6-5. Raw water is not served by the City and is not applicable.

4.2 Past, Current, and Projected Water Use by Sector

The City provides potable water and non-potable water to its customers as described in further detail in the following sections.

4.2.1 Water Use Sectors Listed in Water Code

Water suppliers are required to identify water uses to the extent that records are available, for each of the applicable water use sectors identified in CWC 10631(d). The City primarily serves potable water to customers, though it does supply a small amount of recycled water. Recycled water uses are described in Section 6.2.2.

The City serves the following water uses:

Single-Family

Single family residential customers are typically on a lot with a free-standing building containing one dwelling unit that may include a detached secondary dwelling.

Multi-family

Multi-family residential customers are typically multiple dwelling units within one building or several buildings within one complex.

Commercial

Commercial users are defined as water users that provide or distribute a product or service.

Institutional/Governmental

Institutional water customers are typically public services, such as higher-education institutions, schools, courts, churches, hospitals, government facilities, and nonprofit research institutions.

Landscape

The City tracks the water use for landscape irrigation.

Industrial

Industrial customers typically manufacture or process materials.

Other

The City has accounts for other uses, which include hydrant accounts.

Distribution System Water Losses

Distribution system losses represent the potable water losses from the pressurized water distribution system and water storage facilities, up to the point of delivery to the customers. Additional information is discussed in Section 4.2.4.

4.2.2 Past Water Use

Ontario's actual potable water use by customer class from 2021-2025 is shown in Table 4-1. Historical demand trends have been considered as part of projected water use in Section 4.2.5 and water service reliability in Section 7.

Table 4-1- 2021-2025 Actual Potable Water Use, AFY

Use Type	2021	2022	2023	2024	2025	% Average
Single Family	13,747	13,274	11,589	11,549	12,729	39.6%
Multi Family	5,512	5,467	5,056	5,039	5,484	16.7%
Commercial	4,907	5,081	4,701	4,528	4,789	15.1%
Industrial	2,162	2,324	2,111	2,104	2,267	6.9%
Institutional/Governmental	645	664	550	510	666	1.9%
Landscape	5,738	5,510	4,263	4,102	4,909	15.5%
Other	345	436	364	339	510	1.3%
Losses	913	915	808	843	1,265	3.0%
TOTAL:	**33,969**	**33,671**	**29,442**	**29,015**	**32,619**	

4.2.3 Distribution System Water Losses

Distribution system water losses are the physical potable water losses from the point of water entry to the distribution system to the point of delivery to the customer's system. Water loss can result from either real losses or apparent losses, examples of which include: aging infrastructure, leaks, seepage, theft, metering inaccuracies, data handling errors, and other causes. Addressing water losses can increase water supplies and recover revenue. The City monitors its water loss and prepares an annual American Water Works Association (AWWA)

Water Audit to estimate the volume of water loss. The City has submitted all required water loss audits to the State, as shown in Table 4-2.

Table 4-2 - Water Loss Audit Reporting - Retail

Public Water System ID # Reported in Table 2-1R	Reporting Period	Submitted to DWR Water Loss Audit Program
CA3610034	2020	Yes
	2021	Yes
	2022	Yes
	2023	Yes
	2024	Yes

DWR NOTES:
2020 AWWA: CY2020 Ontario Validated WLA.xlsx
2021 AWWA: 2021_WLAOntarioValidated.xlsx
2022 AWWA: 2022 Ontario Water Loss Audit v6.0_Final.xlsx
2023 AWWA: 2023_WLAOntario Audit FWAS v6.0_validated.xlsx
2024 AWWA: 20251204_2024_WLAOntario Audit FWAS v6.0_VALIDATED AB_JN.xlsx

CWC Section 10608.34 required the State Water Board to develop water loss performance standards for urban retail water suppliers to minimize water waste through system leaks. Water loss performance standards were developed through a rulemaking that became effective in 2023. Under the regulations, each supplier will be required to comply, by 2028, with an individualized volumetric water loss standard based on real loss, using the economic model developed by the State Water Board and the supplier's own unique data. Real loss is the physical loss of water from water distribution systems, as opposed to apparent losses, which are revenue losses due to meter inaccuracies, billing errors or unauthorized consumption. A supplier's baseline water loss is calculated as the average water loss from at least 3 of the 4 water loss audits from 2017 – 2020. The real water loss performance standard is based on gallons per service connection per day (gpscd), or gallons per mile of pipe per day (gpmd), depending on how the supplier reports real loss. Post-2028 compliance with volumetric water loss standards will be assessed every three years based on the average of the supplier's real loss from the preceding three years, with an allowed variation of 5 gallons per connection per day above the supplier's water loss standard. Apparent loss standards are equal to the baseline apparent loss and compliance is evaluated at the same time as compliance with the Real Water Loss Performance Standard.

Although the compliance period has not yet started, CWC Section 10631 (d)(3)(C) requires water suppliers to provide data in the UWMP to show whether the supplier met its State Water Board water loss performance standard.

Based on data released by the State on January 30, 2026, the City's baseline real water loss is 24.0 gpscd and the real water loss standard is 24.0 gpscd, and the apparent loss standard is the baseline of 8.2 gpscd. As shown in Table 4-3, based on the most recent water loss audit from 2024, the City has not yet met the real water loss performance standard, but is working toward that goal by 2028 and continuing to meet this standard. Ontario plans to implement water loss control programs to ensure the real water loss performance standard can be met. Section 9 discusses the City's programs to assess and manage distribution system real loss.

Table 4-3 - Progress Towards 2028 Water Loss Standard

Public System ID # Reported in Submittal Table 2-1R	**CA3610034**
Did the Water Board Calculate a Water Loss Standard for this Public System?	Yes
2028 Real Water Loss Standard per Unit per day	24.0
Units for Real Water Loss Standard	gpscd
Number of Units	40,420
Volume of Total Real Water Loss (from AWWA Water Loss Audit)	1,344
2025 or Most Recent Year Real Water Loss per Unit per Day	29.7
2028 Apparent Water Loss Standard per Unit per Day	8.2
Units for Apparent Water Loss	gpscd
Number of Connections	40,420
Volume of Total Apparent Loss (from AWWA Water Loss Audit)	155
2025 or Most Recent Year Apparent Water Loss per Unit per Day	3.4

4.2.4 Current Water Use

In 2025, the City provided water to its customers as shown in Table 4-4.

Table 4-4 - Total Potable Water Use - Retail

Use Type	Level of Treatment When Delivered	2025 Volume
Single Family	Potable	12,729
Multi Family	Potable	5,484
Commercial	Potable	4,789
Industrial	Potable	2,267
Institutional/Governmental	Potable	666
Landscape	Potable	4,909
Other	Potable	510
Distribution Water System Losses		1,265
TOTAL:		**32,619**

4.2.5 Projected Water Use

Ontario's projected water use is based on the water demand forecasts developed as part of the City's 2025 Water Master Plan. Future water system demands were developed by estimating increases associated with planned development, redevelopment, and densification throughout the City's service area.

Future water demands were developed for the City's 2025 Water Master Plan using a combination of existing meter data and planning-level projections from specific plans, The City of Ontario Plan 2050 (TOP 2050) and recent Accessory Dwelling Unit (ADU) growth. Existing production and purchase data from FY 2021-2022 was used to represent the water demand of existing customers and to develop water unit demand factors for future developments. FY 2022 was used because it was the most recent data not affected by drought or wet weather conditions.

While future potable water demands could be reduced by recycled water conversions and ongoing conservation efforts, this study conservatively does not reduce projected demands to

ensure reliable service under all potential future conditions. Demand projections are based on historical production and purchase trends, which already reflect the effects of recycled water use, conservation programs, drought regulations, and other recent influences.

The Water Master Plan did not provide demand projections per customer type. To split the demand projections into customer types, the average percentage of total consumption by each customer type from 2020-2025 was applied to the total demand projections in the Water Master Plan. Demand projections through 2050 are presented in Table 4-5, with 2040-2050 being equivalent after buildout is reached in 2040.

Table 4-5- Projected Potable Water Use - Retail

			Projected Water Use				
Use Type	**Additional Description**	**Level of Treatment When Delivered**	**2030**	**2035**	**2040**	**2045**	**2050**
Single Family		Potable	17,251	18,082	22,072	22,072	22,072
Multi-Family		Potable	7,285	7,636	9,321	9,321	9,321
Commercial		Potable	6,585	6,902	8,425	8,425	8,425
Institutional/ Governmental		Potable	833	873	1,065	1,065	1,065
Industrial		Potable	3,009	3,154	3,850	3,850	3,850
Landscape		Potable	6,726	7,050	8,606	8,606	8,606
Other		Potable	547	573	700	700	700
Distribution System Water Losses			1,302	1,365	1,666	1,666	1,666
Total			**43,537**	**45,634**	**55,704**	**55,704**	**55,704**

Notes: Projected water uses are equal for years 2040 through 2050 because the City anticipates buildout to occur in 2040.

4.3 Water Use for Lower Income Households

Senate Bill (SB) 1087 requires that water use projections in a UWMP include projected water use associated with single-family and multi-family residential housing for lower-income households, as identified in the housing elements of any city, county, or city and county within the supplier's service area. RHNA establishes housing needs for each jurisdiction over the applicable planning period. SCAG adopted the 6th Cycle RHNA Allocation Plan, which covers the planning period from October 2021 through October 2029 (Southern California Association of Governments, 2021). SCAG's population and household projections inform the RHNA Allocation Plan and are used in the determination and allocation of housing needs for the City's Housing Element, including lower-income housing. TOP 2050 conservatively plans for buildout development, thus it exceeds the amount of housing identified in RHNA and the City's Housing Element. The projected demands in this UWMP represent water use from all future growth through buildout and are inclusive of water use for lower income households.

Table 4-6- Inclusion in Water Use Projections

Are Future Water Savings Included in Projections?	Yes
Are Lower Income Residential Demands Included in Projections?	Yes

4.4 Climate Change Considerations

Future demand and use of supply sources may be affected by climate change.

> *"Projections of climate change in California indicate a further intensification of wet and dry extremes and shifting temperatures that can…affect both water use and supplies. Extreme and higher temperatures can lead to increases in water use…Projections of more frequent, severe, and prolonged droughts could lead to not only less surface water available, but also exacerbating ongoing stressors in groundwater basins across the state."* (State of California Department of Water Resources, 2021)

Higher temperatures decrease the amount of water available for groundwater recharge and for surface water sources while increasing water use, especially for outdoor use. Reductions in future supply due to impacts associated with climate change were considered as part of the projected supply discussed in Section 6 and Section 7. Impacts on future water use patterns due to climate change factors were considered as part of the demand projections provided in Section 4.

5 SB X7-7 Compliance & Future Water Use Efficiency Requirements

This section describes compliance with the Water Conservation Act of 2009, also known as SBX7-7. The section demonstrates compliance with the 2020 SBX7-7 target and discusses future WUE requirements.

IN THIS SECTION

- Compliance and Future Water Use Efficiency Requirements

5.1 Compliance and Future Water Use Efficiency Requirements

SBX7-7 was incorporated into the UWMP Act in 2009 and required that all water suppliers increase WUE with the overall goal to decrease per-capita water consumption within the state by 20 percent by the year 2020.

SBX7-7 required DWR to develop certain criteria, methods, and standard reporting forms through a public process that water suppliers could use to establish their baseline water use and determine their water conservation targets. SBX7-7 and DWR's *Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use* (State of California Department of Water Resources, 2021) specify methodologies for determining the baseline water demand, 2015 interim urban water use target and the 2020 urban water use target for the City as described in the 2020 UWMP. This section also demonstrates that the City achieved its 2020 water use target.

Table 5-1 below establishes the City's 2020 actual and 2020 target GPCD. As shown, the City met its 2020 target. Most recently, in 2025, with an annual gross water use of 32,619 AFY and population of 184,404, the water use was 158 GPCD, which is well below the 2020 target of 196 GPCD.

Table 5-1- SB X7-7 2020 Target Progress

2020 Target GPCD	2020 Actual GPCD	Did Supplier Achieve Target?
196	161	Yes

New WUE standards from the MCCWL Regulation supersede SBX7-7 standards. In 2018, two policy bills were enacted by the California Legislature, Assembly Bill 1668 (AB1668, Friedman) and Senate Bill 606 (SB606, Hertzberg), collectively referred to as the "2018 Water Conservation Legislation." Based on the 2018 Water Conservation Legislation, related legislation, and subsequent adoption of the MCCWL Regulation, each urban retail water supplier must comply with its UWUO. DWR and the State Water Board have developed a reporting framework for calculating the UWUO and compliance annually with efficiency standards becoming increasingly stringent through 2040. The City plans to implement necessary DMMs (see Section 9) to support meeting the UWUO. DMMs and UWUO compliance planning enhance resiliency for drought and other water shortage conditions as described in Sections 7, 8, and 9.

6 Water Supply Characterization

This section describes and quantifies the City's current and projected potable and non-potable water supplies. It provides a narrative description of each supply source and quantifies the supply availability for each supply source identified.

IN THIS SECTION

- Water Supply Analysis Overview
- Water Supply Characterization
- Energy Intensity

6.1 Potable Water Supply Sources

The City uses Chino Basin groundwater from City-owned wells, desalinated brackish Chino Basin groundwater purchased from the CDA, imported water from WFA, and water purchased from SAWCo to meet its potable demands. The City also purchases recycled water from IEUA to meet some irrigation and other non-potable demands. The following sections describe each water source. Table 6-1 shows production for the last five years from Chino Basin.

Table 6-1- Groundwater Volume Pumped - Retail

Groundwater Type	Potable or Non-Potable	Location or Basin Name	2021	2022	2023	2024	2025
Alluvial Basin	Potable	Chino Basin	20,281	18,628	16,385	14,345	18,672
Total:			**20,281**	**18,628**	**16,385**	**14,345**	**18,672**

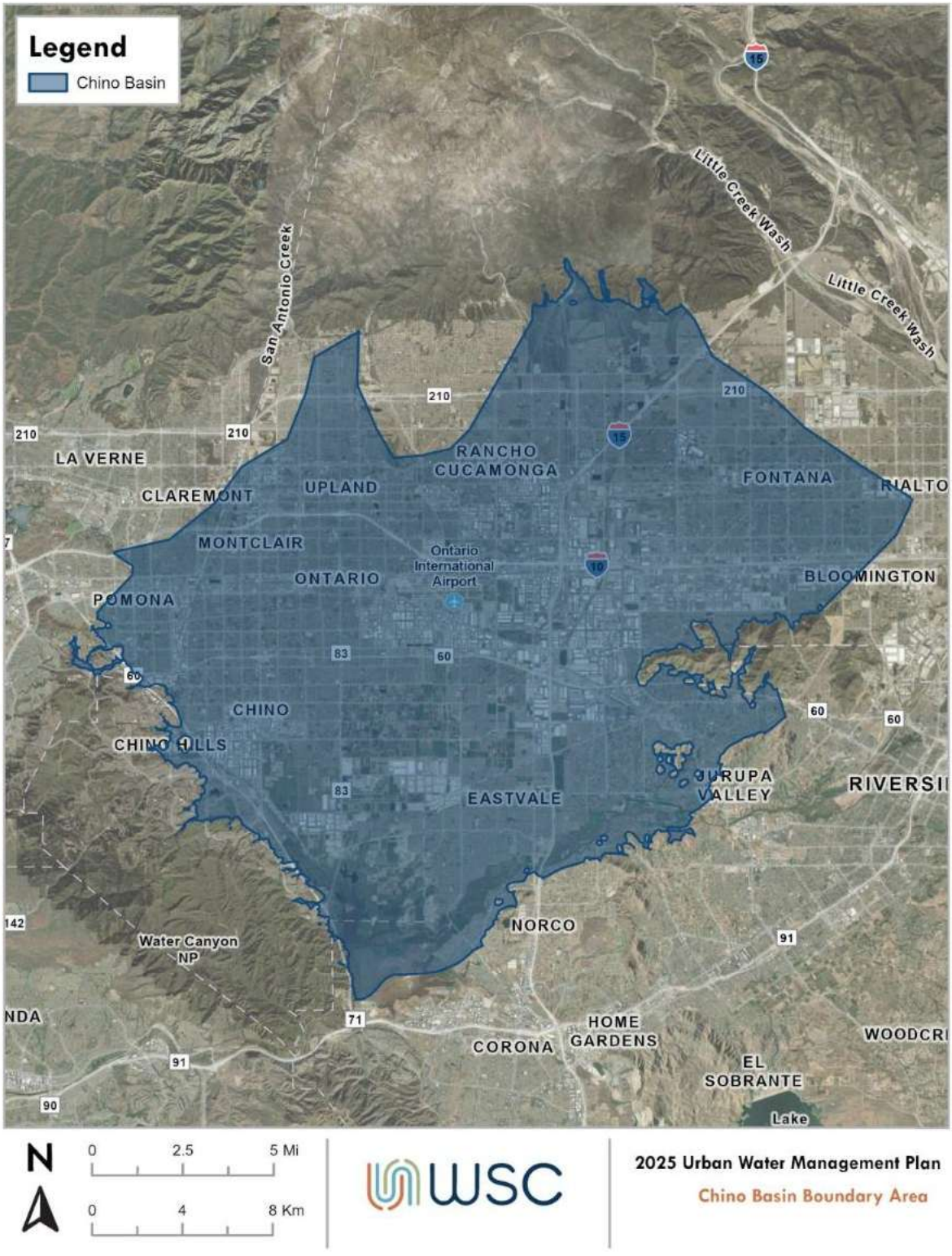
6.1.1 Chino Basin Groundwater

6.1.1.1 Description

The Chino Basin is located within the Upper Santa Ana Valley within San Bernardino County and is bounded on the east by the Rialto-Colton fault; on the southeast by the contact with impermeable rocks forming the Jurupa Mountains; on the south by impermeable rocks of the Puente Hills and by the Chino fault; on the northwest by the San Jose fault; and on the north by the impermeable rocks of the San Gabriel Mountains and by the Cucamonga fault. The location of the Chino Basin is provided in Figure 6-1. The surface area of the Chino Basin is approximately 154,000 acres (or 240 square miles). The San Antonio Creek and Cucamonga Creek drain the Chino Basin area southward and flow into the Santa Ana River. Pursuant to DWR Bulletin 118 (for Basin Number 8-2.01), the Chino Basin is a subbasin of the Upper Santa Ana Valley Groundwater Basin and has a total storage capacity of approximately 5,000,000 AF.

The water-bearing units in the Chino Basin include Holocene and Upper Pleistocene alluvium. This Holocene alluvium consists mainly of alluvial-fan deposits, with maximum thickness of 150 feet that are most coarse in and near the mouths of the canyons and are finer away from canyon mouths in the southern part of the Chino Basin. The Pleistocene alluvium is exposed mainly in the northern part of the subbasin and supplies most of the water to wells located within the Chino Basin. The Pleistocene alluvium is about 600 to 700 feet thick throughout most of the Chino Basin. The alluvium contains interfingering finer, alluvial-fan deposits and coarser, fluvial deposits.

Figure 6-1- Chino Basin Boundary Area



6.1.1.2 Sustainable Groundwater Management Act

Pursuant to the Sustainable Groundwater Management Act of 2014 (SGMA), the Chino Basin was named as an adjudicated groundwater basin and is exempt from the requirements of developing a groundwater sustainability plan (GSP) and subsequently was designated a very-low-priority basin in DWR's 2019 SGMA Basin Prioritization report. In compliance with SGMA, the Chino Basin Watermaster submits its Annual Report to DWR.

6.1.1.3 Adjudication

The Chino Basin was adjudicated under the Chino Basin Judgment, entered on January 27, 1978 by the Superior Court for the County of San Bernardino. A link to the Chino Basin Judgment is provided in Appendix F. The Chino Basin Watermaster was created by the Judgment to administer the provisions of the Judgement as an arm of the Court.

The Chino Basin Judgment originally established a Safe Yield for the Chino Basin of 140,000 AFY. The Safe Yield is typically recalculated every 10 years and is defined in the Chino Basin Judgment as "the long-term average annual quantity of ground water (excluding replenishment of stored water but including return flow to the Basin from use of replenishment or stored water) which can be produced from the Chino Basin under conditions of a particular year without causing an undesirable result". Pursuant to the most recent Safe Yield reset effective in 2020, the Safe Yield for the Chino Basin is currently 131,000 AFY (effective July 1, 2020 to June 30, 2030).

In April 2017, a Court Order regarding the Safe Yield of the Chino Basin (2017 Safe Yield Court Order) was issued, which caused the Safe Yield to be recalculated in 2025. The 2017 Safe Yield Court Order also required changes to the Safe Yield Reset methodology. The methodology was updated in 2022, and the 2025 Safe Yield Reset process began in 2023. The 2025 Safe Yield Reset is not final, so for purposes of this UWMP, the Safe Yield for the Chino Basin is based on the currently effective value of 131,000 AFY. Additional information on the 2025 Safe Yield Reset is available on the Chino Basin Watermaster website (https://www.cbwm.org/pages/syrm/).

The Chino Basin Judgment's allocation of the Safe Yield includes three separate Pools:

1. Overlying Agricultural Pool (farmers, State of California, and other minimal producers)
2. Overlying Non-Agricultural Pool (businesses and industries)
3. Appropriative Pool (cities, agencies, and other water suppliers, including Ontario)

As of July 2020, the Safe Yield is allocated among these three pools at 82,800 AFY to the Overlying Agricultural Pool, 7,366 AFY to the Overlying Non-Agricultural Pool, and 40,834 AFY to the Appropriative Pool. The portion of the Safe Yield allocated to the Appropriative Pool is called the Operating Safe Yield (OSY).

The City is a member of both the Overlying Non-Agricultural Pool and the Appropriative Pool. Per the Judgment, the City has appropriative rights to 20.742 percent of the OSY. With an OSY of 40,834 AF, the City's current appropriative right is approximately 8,470 AFY. The City has

purchased and has rights to 3,921 AF of Overlying Non-Agricultural Pool water as of June 30, 2024.

Appropriators who are Parties to the Chino Basin Judgment are authorized to produce groundwater in excess of their rights. For any groundwater produced in excess of their rights, Appropriators pay assessments to the Chino Basin Watermaster, which are used to purchase water to replenish the Chino Basin. The Chino Basin Watermaster purchases water from MWD through IEUA and/or TVMWD, on behalf of the Parties, to replenish the Chino Basin. Occasionally, Watermaster has purchased water from storage accounts from parties within the Chino Basin.

In addition to the water rights described above, the City has rights to groundwater held in the Chino Basin as described below:

Land Use Conversion

When land is converted from agricultural to urban use, water rights are permanently transferred from the Overlying Agricultural Pool to the Appropriative Pool. As of FY 24/25, the City receives 6,531 AFY of pumping rights from land use conversions. Land use conversions assign the increase in Appropriative Pool rights to the party whose sphere of influence includes the converted land, so the OR development will lead to an increase in appropriative rights for the City in the future.

Annual Unused Overlying Agricultural Pool Rights

The Chino Basin Watermaster also reallocates the unused portion of the Chino Basin Safe Yield from the Overlying Agricultural Pool to the Appropriative Pool members' rights in any year. These transfers are permanent if agricultural land has been converted to non-agricultural use (described above), or temporary if agricultural pool extractions are less than their share of the Safe Yield. In FY24/25, 21,487 AFY of rights have been reallocated from the Overlying Agricultural pool to the Appropriative Pool that were not claimed as part of a permanent land conversion, resulting in 4,457 AFY in additional rights for Ontario. Because these rights are not permanent, they are not included in Ontario's Chino Basin rights in this UWMP.

Fontana Recycled Water Rights

The City has a long-term contract, expiring in 2031, to purchase up to 3,000 AFY of recharged recycled water rights from the City of Fontana. The City of Fontana does not operate a water system and therefore cannot use the water rights associated with their recycled water recharge credit. The amount purchased by the City each year will vary.

Groundwater Storage Accounts

The City has rights to store water in the Chino Basin through both the Appropriative and Overlying Non-Agricultural Pools. The City holds water in both Excess Carryover accounts and Local Supplemental accounts. As of June 30, 2024, the City has 136,940 AF in storage pursuant to Appropriative rights and 0 AF in storage pursuant to Overlying Non-Agricultural rights. Storage account mechanisms are described in Section 6.1.1.4.

6.1.1.4 Management

Chino Basin Optimum Basin Management Program (OBMP)

In 2000, the Chino Basin Watermaster developed the Chino Basin OBMP. The OBMP was developed in a collaborative process that identified the needs of the stakeholders, described the physical state of the basin, defined a set of management goals, identified impediments to these goals, and established a series of actions that would remove these impediments and achieve the management goals. The goals identified in the OBMP included: (1) Enhance Basin Water Supplied; (2) Protect and Enhance Water Quality; (3) Enhance Management of the Basin; and (4) Equitably Finance the OBMP.

The OBMP defines nine Program Elements which were incorporated into the OBMP Implementation Plan as part of the Court-ordered Peace Agreement (2000):

- Program Element 1 - Develop and Implement Comprehensive Monitoring Program
- Program Element 2 - Develop and Implement Comprehensive Recharge Program
- Program Element 3 - Develop and Implement a Water Supply Plan for Impaired Areas
- Program Element 4 - Develop and Implement Comprehensive Groundwater Management Plan for Management Zone 1
- Program Element 5 - Develop and Implement Regional Supplemental Water Program
- Program Element 6 - Develop and Implement Cooperative Programs with the Regional Board and Other Agencies to Improve Basin
- Program Element 7 - Develop and Implement Salt Management Plan
- Program Element 8 - Develop and Implement Groundwater Storage Management Program
- Program Element 9 - Develop and Implement Storage and Recovery Programs

The “Peace Agreement” (2000) and the “Peace II Agreement” (2007) are agreements among the Parties that allow the implementation of the OBMP and guide the management of the Chino Basin, including the construction and operations of the Desalters, hydraulic control of the Basin, groundwater production and replenishment for the Desalters, yield accounting and recharge.

Chino Basin Storage Management Plan

The Peace Agreement (2000) establishes rules and regulations, standard storage agreements, and related forms for storage in the Chino Basin. Since 2000, Chino Basin Watermaster administers groundwater storage in the Chino Basin pursuant to the storage management plan described in Program 8 of the 2000 OBMP.

There are five types of storage accounts: Excess Carryover, Local Supplemental-Recycled, Local Supplemental-Imported, Pre-2000 Quantified Supplemental, and Storage and Recovery.

- Excess Carryover account – includes a Party’s unproduced rights in the Safe Yield (Safe Yield for Overlying Non-Agricultural Pool Parties and OSY for Appropriative Pool Parties) and Basin Water purchased or transferred from other Parties.

- Local Supplemental Water account (recycled and imported)– includes any imported and/or recycled water that is recharged by a producer and similar water acquired from other Parties.
- Pre-2000 Quantified Supplemental Account (same function as Local Supplemental Water Account)
- Storage and Recovery account – holds Supplemental Water (imported or recycled) and is intended to provide a broad and mutual benefit to the Parties of the Judgment.

The City has Excess Carryover and Local Supplemental accounts. The City also participates in the DYY Program, which is currently the only Storage and Recovery Program in the Chino Basin.

Dry Year Yield Program

MWD's Dry-Year Yield Program (DYYP) is the only active Storage and Recovery Program in Chino Basin. This program is a water exchange as discussed in Section 6.5.1.

Groundwater Clean-up

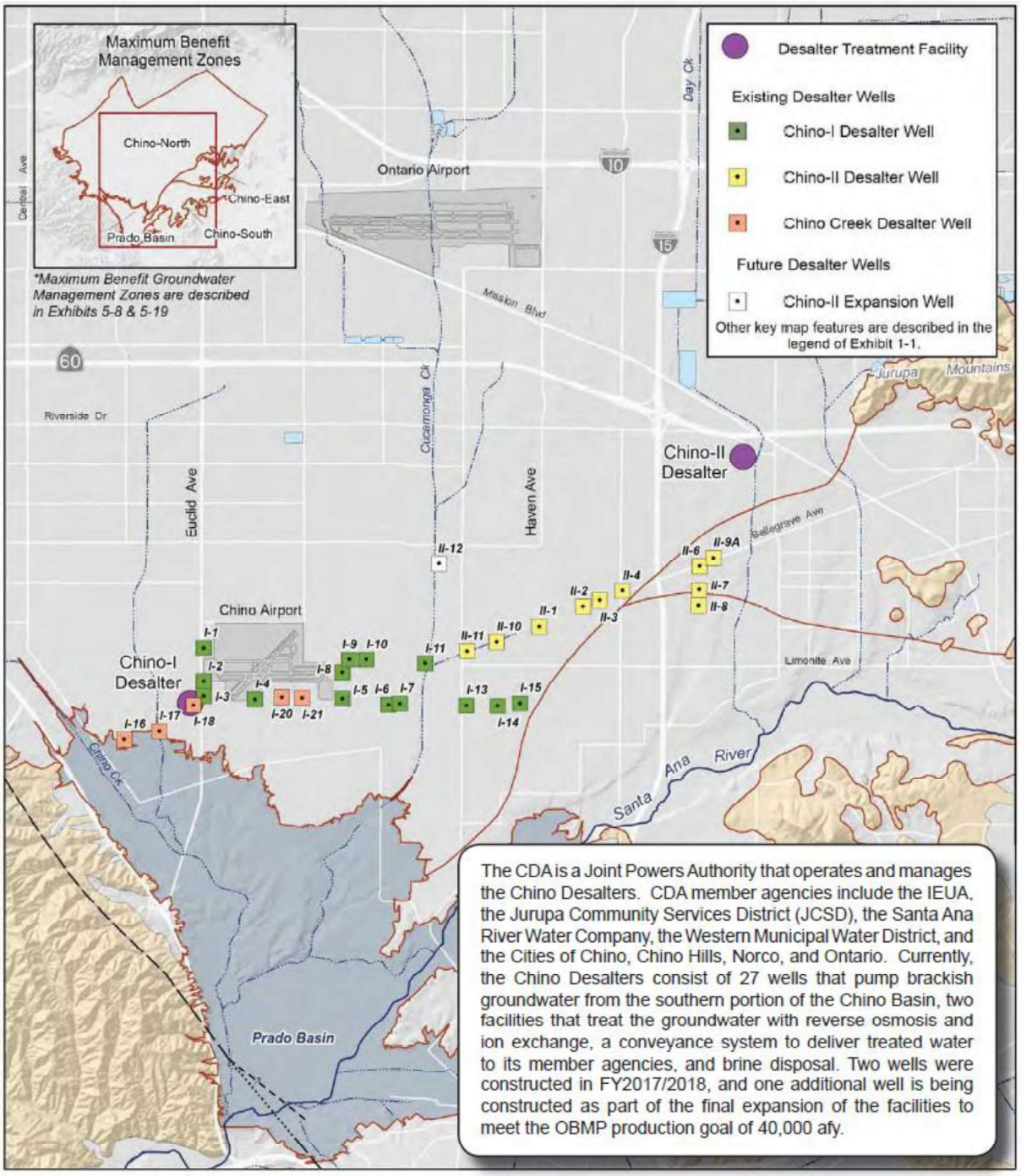
Groundwater in areas of the Chino Basin is currently contaminated with Perchlorate and Volatile Organic Compounds (VOCs), including 1,2,3-Trichloropropane (1,2,3-TCP), trichloroethylene (TCE), and perchloroethylene (PCE). In addition, nitrates and TDS concentrations in areas of the Chino Basin exceed drinking water quality standards. Wellhead treatment is necessary in these areas to allow delivery of the groundwater for potable purposes.

6.1.2 Chino Basin Desalter Authority

On September 25, 2001, CDA was formed under a Joint Exercise of Powers Agreement (JPA) to remove salts from brackish groundwater extracted from the lower Chino Basin. The area which receives water supplies from CDA is 304 square miles. A map showing CDA Desalter facilities and associated wells is provided in Figure 6-2.

CDA removes salts from brackish groundwater extracted from the lower Chino Basin through the Chino I and II Desalter facilities. The Chino I Desalter is located in the City of Chino and commenced operation in 2001 and was expanded in 2005 to have a total capacity of 14.2 MGD. The Chino I Desalter includes reverse osmosis, ion exchange, and air stripper treatment for treating brackish water and removing nitrate and volatile organic chemicals (VOCs). The Chino II Desalter is located in Jurupa Valley and began operation in 2006 and was expanded in 2011 and again in 2017 to have a total capacity of 33 MGD. The Chino II Desalter includes reverse osmosis and ion exchange treatment for treating brackish water and removing nitrate. Following the expansion, CDA constructed the Concentrate Reduction Facility in 2017, which utilizes chemical softening to remove the limiting foulants (specifically, calcium and silica) from the reverse osmosis concentrate. CDA completed the South Archibald Plume Project in 2021. The project added improvements to the Chino II system, which included a new 2,000 gpm well to extract groundwater from the plume, construction of a transmission pipeline to convey impacted groundwater to the Desalter, and treatment of high TCE groundwater using CDA's existing reverse osmosis (RO) system, and a new air stripper system.

Figure 6-2- Location of CDA Facilities



Source: (Chino Basin Optimum Basin Management Program, 2018)

Treated water is distributed to CDA's member agencies which include the City of Chino, City of Chino Hills, City of Norco, City of Ontario, IEUA, Jurupa Community Services District, Santa Ana River Water Company, and Western Municipal Water District which provide water service within Riverside County and San Bernardino County. The OBMP included a long-term goal to produce 40,000 AF from the Chino Basin annually for the purpose of groundwater cleanup and

hydraulic control of contaminant migration into the Santa Ana River, and to prevent loss of beneficial water for use in the basin.

The member agencies have contract entitlements to receive a total of 35,200 AFY of treated water from CDA through "take or pay" contracts, meaning they must purchase this volume of water whether or not they use it. The City's current contract entitlement is 8,533 AFY.

A portion of the production is in-lieu of those CDA member agencies producing an equal amount of groundwater from their own groundwater wells using their individual water rights. An additional portion of the production is temporarily assigned as "controlled overdraft". Pursuant to the Chino Basin Judgment, a total of 200,000 AF was authorized for controlled overdraft between the period of 1978 through 2017. In 2007, the Peace II Agreement was adopted to establish measures for achieving hydraulic control of the Chino Basin. One of the measures put forth included increasing the authorized controlled overdraft to 600,000 AF. This is a 400,000 AF increase from the original 200,000 AF authorized in the Chino Basin Judgment and is available for utilization until December 31, 2030 per the Peace II Agreement. For the balance of the production, the Chino Basin Watermaster levies an annual Replenishment Assessment to purchase replenishment water to replace that overproduced water. Each of CDA's member agencies is responsible to pay a Replenishment Assessment for their purchases in excess of their respective water rights allocated to the program.

6.1.3 Water Facilities Authority

The City purchases treated, imported surface water from WFA through an Installment Purchase Agreement first signed in 1985 and last revised in 1997. On February 19, 1980, WFA was formed under a JPA to acquire and construct facilities to supply and distribute potable water to its member agencies. WFA's member agencies include the Cities of Chino, Chino Hills, Ontario, Upland, and Monte Vista Water District. The area which receives water supplies from WFA is approximately 148 square miles.

WFA purchases untreated imported water from MWD through IEUA. WFA owns and operates the Agua de Lejos Treatment Plant located in the City of Upland. The Agua de Lejos Treatment Plant is a conventional surface water treatment facility that treats and disinfects imported water supplies. The Agua de Lejos Treatment Plant began operating in 1988 and has a treatment capacity of 81 million gallons per day (MGD).

6.1.4 San Antonio Water Company

The City purchases water from the SAWCo through the "Water Service Agreement, January 1, 2017" contract between the City and SAWCo which delivers domestic and irrigation water to a variety of shareholders. These shareholders include most residents of San Antonio Heights (an unincorporated area of San Bernardino County), the Cities of Upland and Ontario, Monte Vista Water District, the United States Forest Service, the San Bernardino County Flood Control

District (SBCFCD), local golf courses, rock quarries, and grove irrigators. SAWCo is governed by a seven-member Board of Directors that is elected by shareholders at the end of each calendar year.

Pursuant to SAWCo's Annual Operating and Capital Improvement Budget for FY 2025, there are 6,178 Active Shares and a total of 6,389 Company Shares (Inactive Shares are those shares currently not utilizing entitlement water). Each Active Share was equal to 2.035 AF of entitlement water from SAWCo, making the total active share entitlement 12,570 AF. The City has an entitlement of 600 AF based on Active Share entitlements.

SAWCo's water supply sources include surface water obtained from the San Antonio Canyon, water from the San Antonio Tunnel, and groundwater sources from the Chino Basin, Six Basins, and Cucamonga Basin. Ontario has a 600 AFY entitlement with SAWCo, so supply from this source is expected to remain consistent in the future. A description of the reliability of SAWCo's individual water supply sources is included in SAWCo's 2025 UWMP.

6.1.5 Surface Water

The City does not use surface water in its supply portfolio other than what it purchases through SAWCo.

6.2 Wastewater and Recycled Water

6.2.1 Wastewater Collection, Treatment, and Disposal

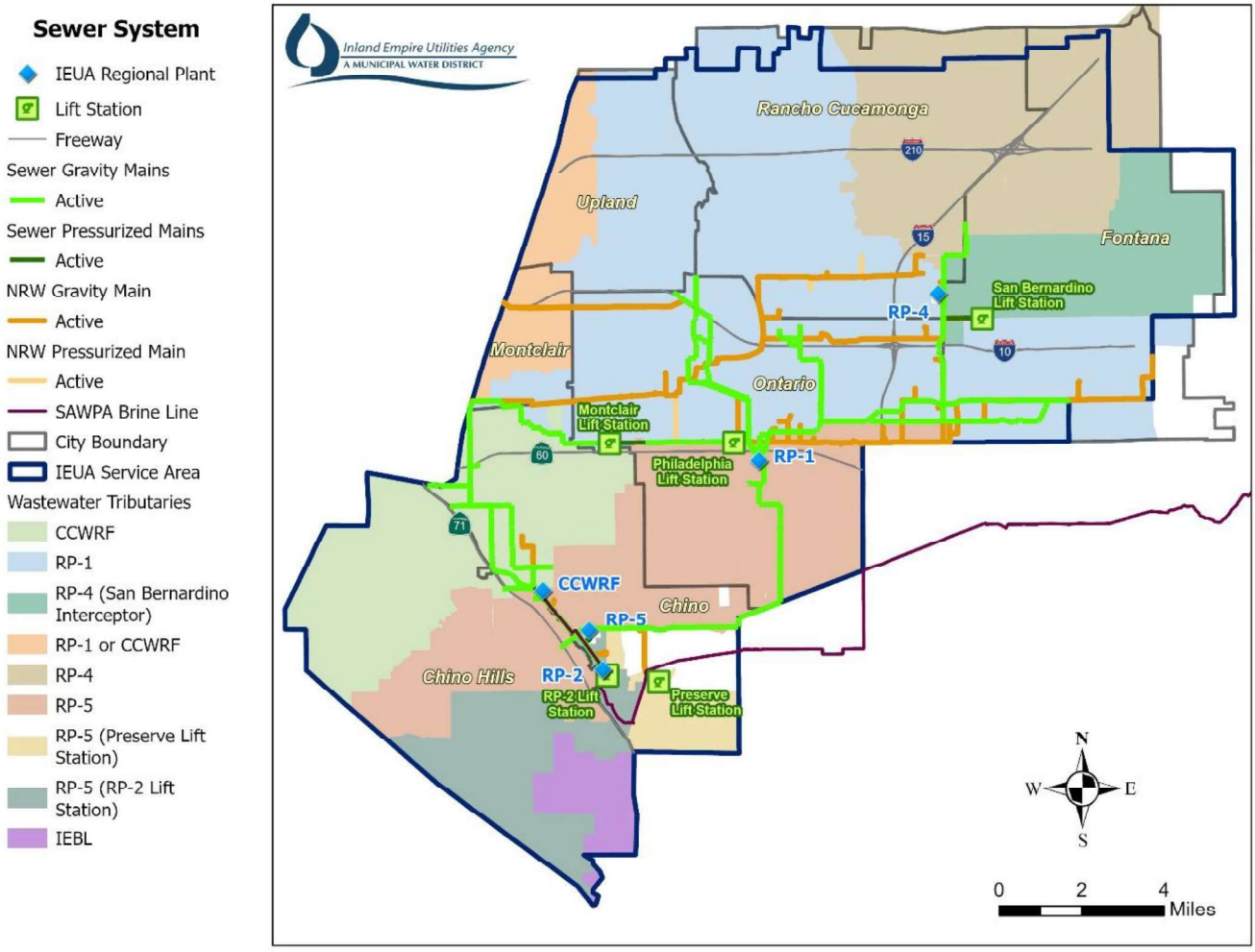
Wastewater generated by the City is treated by IEUA. IEUA provides sewage utility services to seven contracting agencies including the Cities of Chino, Chino Hills, Fontana, Montclair, Ontario, Upland, and Cucamonga Valley Water District. Wastewater is collected within the City's local sewer collection system. The City's local sewers tie into IEUA's regional trunk sewers, including 90 miles of regional sewage interceptors. The regional sewer lines deliver wastewater to one or more regional plants owned by IEUA for treatment. IEUA owns and operates five regional water recycling plants:

- Regional Water Recycling Plant No. 1 (RP-1) has a treatment capacity of 44 MGD.
- RP-2 does not have any liquid treatment processes and does not produce any recycled water.
- RP-4 has a treatment capacity of 14 MGD.
- RP-5 has a treatment capacity of 16.3 MGD.
- Carbon Canyon Water Recycling Facility (CCWRF) has a treatment capacity of approximately 12 MGD.

Wastewater is treated through various processes including preliminary screening, grit removal, primary clarification, secondary treatment, tertiary treatment, dechlorinating, solids thickening, anaerobic digestion, and dewatering. With the exception of RP-2, the regional plants can produce tertiary-treated, Title 22-quality recycled water.

The locations of IEUA's regional plants are provided in Figure 6-3 below. The City's wastewater use in 2025 and end uses are provided below in Table 6-2 and Table 6-3.

Figure 6-3- Location of IEUA Regional Water Recycling Plants



IEUA delivers recycled water to retailers (including the City, as discussed in Section 6.2.2) and to Chino Basin recharge basins. Excess water is dechlorinated and discharged to the Santa Ana River.

Table 6-2- Wastewater Collected Within Service Area in 2025

Wastewater Collection		Recipient of Collected Wastewater		
Name of Wastewater Collection Agency	Wastewater Volume Metered or Estimated?	Volume of Wastewater Collected from UWMP Service Area 2025	Name of Wastewater Treatment Plant (WWTP) and Place ID Number	Is WWTP Located Within UWMP Area?
IEUA	Estimated	14,053	IEUA Carbon Canyon WWRF, Place ID 259184	Yes
Total Wastewater Received from UWMP Service Area in 2025:		**14,053**		

Notes: RP-1 and RP-5 are the specific plants described in the row above.

Table 6-3- Wastewater Treatment and End Uses Within UWMP Service Area in 2025

				2025 Outcomes of Treated Wastewat			
				Water Recycled Within UWMP Service Area	Water Recycled Outside of UWMP Service Area	Effluent Discharge that is not a Permitted Recycled Water Use	Required Discharge for Instream Flow
Wastewater Treatment Plant Name and Place ID Number	Does This Plant Treat Wastewater Generated Outside the UWMP Service Area?	2025 Volume of Wastewater Received from UWMP Service Area	Total 2025 Volume of Water Treated	Volume	Volume	Volume	Volume
IEUA Carbon Canyon WWRF, Place ID 259184	Yes	14,053	14,053	11,406	1,026	1,621	
Total:		**14,053**	**14,053**	**11,406**	**1,026**	**1,621**	

Notes: RP-1 is the specific plant described in the row above.

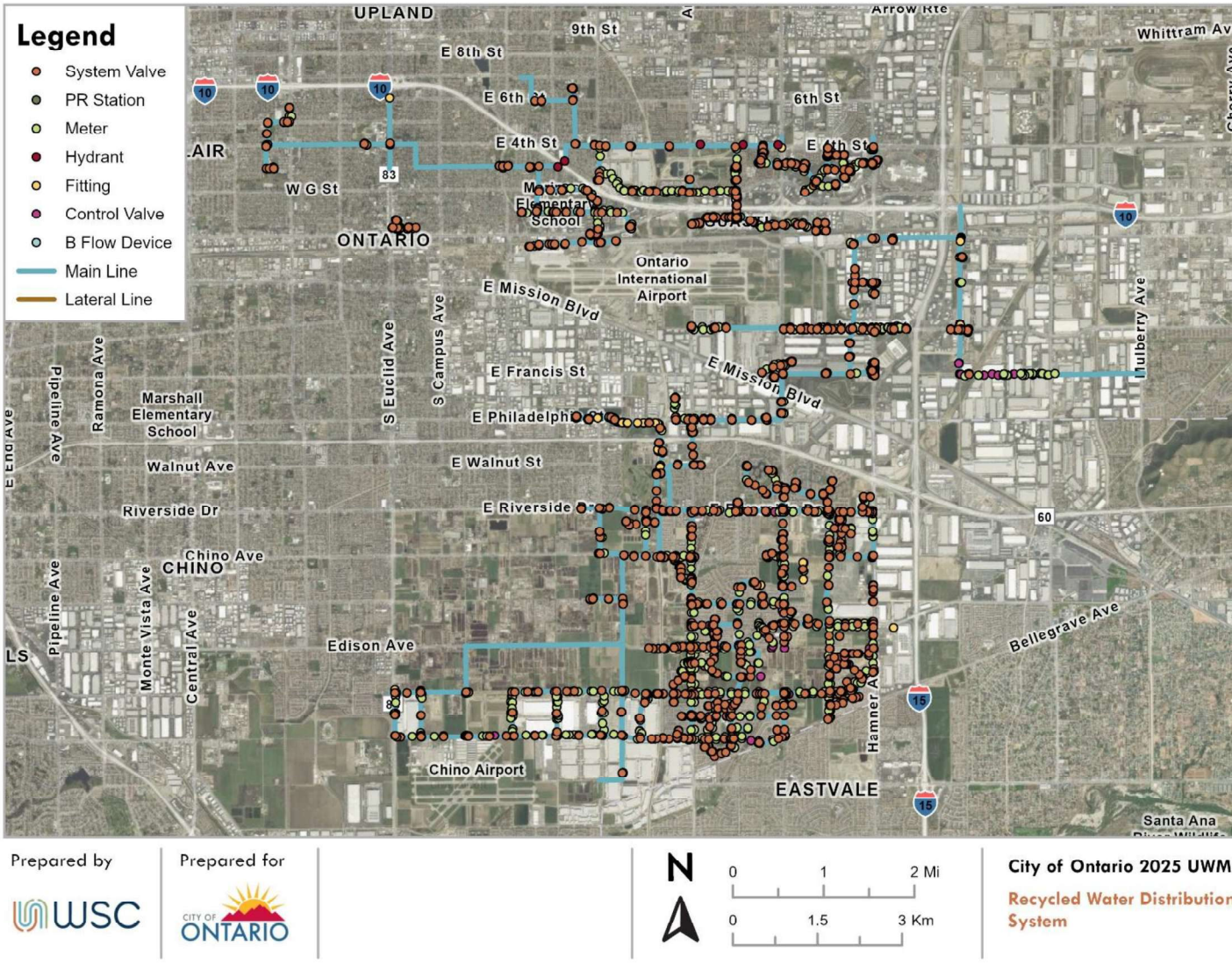
6.2.2 Recycled Water

6.2.2.1 Recycled Water System Background

The City's recycled water supplies are produced by IEUA at their five Regional Plants. The City has the right of first purchase of recycled water up to its base entitlement, which is based on the quantity of sewage delivered into the Regional Sewerage System from the City's service area in proportion to the total quantity of wastewater delivered to the Regional Sewerage System from all agencies. The City can also purchase additional surplus recycled water available after other agencies have exercised their rights of first refusal. The City has received recycled water from IEUA since 1972. The City uses recycled water for industrial purposes, landscape irrigation, agricultural irrigation, and golf course irrigation. The location of the City's recycled water distribution system is provided in Figure 6-4.

The City works closely with IEUA regarding the development of recycled water infrastructure in its service area and the identification of new recycled water users.

Figure 6-4- Ontario Recycled Water Distribution System



6.2.2.2 Potential, Current, and Projected Recycled Water Uses

The City uses recycled water for agricultural irrigation, landscape irrigation, golf course irrigation and industrial purposes. The City plans to increase recycled water use within its service area by expanding the recycled water system to additional parks, schools, nurseries, and commercial landscaping areas not currently using recycled water.

The City is in the process of preparing a 2025 Recycled Water Master Plan. The City's 2020 Recycled Water Master Plan identified potential recycled water customers within the City based on recycled water use for large-volume irrigation purposes (e.g. municipal parks, fields, golf courses, etc.). Recycled water use factors from the RWMP were applied to the ultimate land uses for these customers to determine the potential ultimate recycled water demands.

One project currently in the planning stage that Ontario has evaluated through a feasibility study is the Pure Water Ontario (PWO) initiative. The PWO project is an indirect potable reuse project with the goal of developing a new, reliable water supply and reducing reliance on imported water. The PWO will use recycled water (tertiary treated) from IEUA RP-1 plant and further treat it at a new Advanced Water Purification Facility (AWPF) using micro-filtration, reverse osmosis (RO), ultraviolet light and advanced oxidation process. The AWPF will produce 4,500 acre-feet per year of Title 22 treated water. Brine from the RO process will be disposed of via a pipeline from the AWPF to IEUA's Non-Reclaimable Water System (NRWS) gravity main on Philadelphia Street. The treated water will be recharged into the underlying Chino Basin via 4-5 subsurface injection wells near RP-1. The locations of the injection wells have yet to be determined. Following recharge, Ontario will recover the groundwater for further treatment as needed and distribute it to end users.

The City continues to retrofit landscape irrigation systems to use recycled water where available. Future recycled water use projections are based on current recycled water use and planned recycled water projects. Table 6-4 shows the current and projected volume of recycled water from IEUA the City expects to deliver to its customers through the City's recycled water distribution system. The recycled water supply projections shown in Table 6-4 are equal to the City's projected recycled water demand and IEUA has confirmed it expects to have sufficient supply to meet these future direct recycled water demands.

Table 6-4- Recycled Water Direct Beneficial Uses - Retail

Name(s) of Facility /ies Producing (Treating) the Recycled Water:			IEUA						
Name of Supplier Operating the Recycled Water Distribution System:			Ontario						
Use Type	Potable or Non-Potable	Additional Information	2025	2030	2035	2040	2045	2050	Potential Recycled Water Use Volume
Agricultural irrigation	Non-Potable		5,458	6,443	7,064	7,880	7,880	7,880	7,880
Landscape irrigation (exc golf courses)	Non-Potable	Irrigation	2,798	3,303	3,621	4,039	4,039	4,039	4,039
Golf course irrigation	Non-Potable		410	484	531	592	592	592	592
Commercial use	Non-Potable		1,461	1,725	1,891	2,109	2,109	2,109	2,109
Industrial reuse	Non-Potable		987	1,165	1,277	1,425	1,425	1,425	1,425
Other (Description Required) - Construction	Non-Potable	Hydrant	292	345	378	422	422	422	422
Subtotal Non-Potable			11,406	13,465	14,762	16,467	16,467	16,467	
Total			11,406	13,465	14,762	16,467	16,467	16,467	

The City's projected recycled water demands, over the next 25 years in five-year increments, are provided in Table 6-4 and Table 6-9. Table 6-5 compares the 2020 UWMP projected recycled water use for 2025 to the actual 2025 recycled water use. Recycled water projections were provided to IEUA and are based off expected growth within the Recycled Water Master Plan. Additional recycled water supply is available within the City's entitlement under the Regional Sewerage Contract.

Table 6-5 - 2020 UWMP RW Projection Compared to 2025 Actual - Retail

Use Type	2020 Projection for 2025	2025 Actual Use
Agricultural irrigation	1,704	5,458
Landscape irrigation (exc golf courses)	7,088	2,798
Golf course irrigation	660	410
Commercial use	0	1,461
Industrial reuse	2,716	987
Other (Description Required) - Construction	0	292
Total:	**12,168**	**11,406**

6.2.2.3 Actions to Encourage and Optimize Future Recycled Water Use

The City plans to continue to increase delivery capacity and expand its recycled water system to serve additional customers. Because the City is reliant on imported water supplies, the economic and water supply reliability value of a recycled water system continues to increase. Any additional water supplies that can offset imported water purchases will make these projects more viable. As discussed previously, the City's 2020 Recycled Water Master Plan identified potential recycled water customers within the City based on recycled water use for large-volume irrigation purposes (e.g. municipal parks, fields, golf courses, etc.). The City is evaluating the following potential methods to expand future recycled water use. These potential methods are tabulated in Table 6-6.

- As a retail water supplier, the City will offer its customers (with non-potable water demands) an economic incentive to convert their use to recycled water.
- The City's potable and recycled water rates are a combination of a Readiness-to-Serve Charge, which is based on meter size, and a Usage Charge, which is based on the amount of water use. The Readiness-to-Serve Charge for a recycled water meter is approximately 55 percent of the Readiness-to-Serve Charge for a potable water meter.
- The variable Usage Charge for recycled water is approximately 60 percent of the charge for potable water. (The City's current and future recycled water charges largely depend on the rate that IEUA sells the recycled water for.)
- The City's Municipal Code Sec. 6-8.715 Rates, fees, charges and deposits provides that "Under certain circumstances, the City may contribute to the cost of designing and/or constructing the facilities needed to deliver recycled water to an applicant's property. Subject to the availability of funds, the City may:
    - Reimburse an applicant for costs incurred to install oversized facilities in the public right-of-way
    - Elect to participate in or construct pipelines, reservoirs, pumping stations or other facilities, as it determines necessary, and/or as funds are available.

- The City's Municipal Code Sec. Section 6-8.703, Policy states "It is the policy of the City that recycled water be used for any purposes approved for recycled water use, when it is economically, technically, and institutionally feasible. Recycled water shall be the primary source of supply for commercial and industrial uses, whenever available and/or feasible. Use of potable water for commercial and industrial uses shall be contrary to City policy; shall not be considered the most beneficial use of a natural resource; and shall be avoided to the maximum extent feasible."
- As a contracting agency of IEUA, the City will investigate the availability of financial assistance for plumbing retrofits necessary to receive recycled water.
- The City will evaluate the viability of making conversion to recycled water mandatory for those customers with non-potable uses that are in proximity to an existing or planned recycled water pipeline.

Table 6-6 - Methods to Encourage Future Recycled Water Use

Name of Action	Description	Planned Implementation Year	Expected Increase in Recycled Water Use
Recycled Water Expansion	Expand recycled water distribution system pursuant to City's "2025 Recycled Water Master Plan"	2050	5,198
		Total	**5,198**

6.3 Stormwater

Stormwater recharge into the Chino Basin is managed by Chino Basin Watermaster, Chino Basin Water Conservation District (CBWCD), and SBCFCD. The City does not manage its own stormwater recharge basins. The City receives a stormwater recharge credit for all stormwater recharge proportional to its share of the OSY.

6.4 Desalinated Water Opportunities

The City purchases desalinated brackish groundwater from CDA (see Section 6.1.2). Additional production of desalinated brackish groundwater from the Chino Basin is not anticipated since there are no additional regulatory or judicial drivers for desalination outside of the current scope of CDA, and new production from the Chino Basin could be placed where water quality is favorable.

Desalination of ocean water is not practical at this time due to distance from the ocean.

6.5 Water Exchanges and Transfers

6.5.1 Exchanges – Dry Year Yield Program

The DYYP is a groundwater storage and recovery program where supplemental imported water is stored in the Chino Basin during surplus wet years and recovered in dry years in-lieu of imported water from MWD through IEUA. The DYYP allows maximum use of imported water supplies available during wet years and stored groundwater in the Chino Basin during dry years. The DYYP can store up to 100,000 AF at a maximum replenishment rate of 25,000 AFY and upon an MWD "call", it can direct participating agencies to extract a maximum of 33,000 AFY of stored water. According to IEUA and Chino Basin Watermaster, at the end of FY2024/25, there was approximately 64,000 AF within the DYYP storage account. The agreement that authorized the DYYP is currently set to expire in 2028; however, it remains under discussion by the Operating Committee, including potential renewal options. These discussions include a potential five-year extension that would allow recovery of stored water over a longer duration, if needed. Otherwise it is anticipated that participating agencies will recover or purchase all of the water stored under the DYYP Program by 2028.

The City authorized execution of an agreement with IEUA to participate in the DYYP in 2003. Participation obligates the City to reduce its use of imported water compared to the previous three-year rolling average by a fixed amount, known as the "shift obligation." The City's shift obligation is 8,076 AFY, or by operating parties' total reduction requirements as interpreted by subsequent program amendments not approved by the Court. During years when MWD calls for extraction, the City's WFA purchases are reduced by 8,076 AFY compared to the previous year. Since Jurupa Community Services District does not have an imported water connection, it has entered into an agreement with the City for meeting its shift obligation. Under this agreement, Jurupa Community Services District conveys groundwater to the City in an amount equal to its shift obligation, as needed.

DYYP funds were used for the construction of three groundwater wells (Wells 45, 46, and 47) and an ion-exchange facility located at John Galvin Park to treat water extracted from Well 44 and Well 52. When the City is required to extract MWD's stored water, MWD pays an operation and maintenance credit, and the City pays MWD (through IEUA) the full-service water rate. The City can use the DYYP facilities to meet its normal water demands during other periods but is responsible for the cost of well operation and maintenance.

The program allows the City to be less reliant upon imported water supplies. The additional groundwater capacity allows the City to increase the percentage of groundwater supply used to meet peak demands.

6.5.2 Transfers

The City may assign, lease, or sell rights to produce Chino Basin Water per the Chino Basin Peace Agreement, but currently has no active transfer programs.

6.5.3 Emergency Interties

The City has emergency interties with other water agencies that can provide short-term emergency water supplies. Emergency interties are distribution system interconnections between water agencies for use during critical situations where one system or the other is temporarily unable to provide sufficient potable water to meet its water demands and/or fire protection needs. An emergency interconnection will allow a water system to continue serving water during critical situations such as local water supply shortages as a result of earthquakes, fires, prolonged power outages, and droughts.

The City has interconnections with CDA, WFA, CVWD, and Chino. There are two interconnections to WFA and five interconnections to CDA for imported water. The City has one interconnection with CVWD and one interconnection with the City of Chino. The City also has Mutual Aid Agreements with the following agencies: Chino, Chino Hills, Fontana, Monte Vista Water District, Cucamonga Valley Water District and IEUA.

6.6 Supply From Storage

Supply from storage refers to water that was previously stored and later recovered for use during the reporting year. This category applies only to water recovered from its storage accounts in the Chino Basin, which are part of the agency's overall Chino Basin groundwater supplies and are included in the groundwater supply description and projections.

To avoid double counting, only water that was placed into storage in a prior year and recovered during the reporting year is reported as supply from storage. If water is placed into storage and then recovered within the same reporting year, it is not reported as supply from storage because it would already be counted under its original source (for example, purchased or imported water).

Chino Basin storage mechanisms are described in Section 6.1.1.4.

6.7 Future Water Projects

The City plans to support demand growth through increased Chino Basin groundwater production. As the need arises, the City will construct more Chino Basin wells. This growth in production is captured in Table 6-9. No other potable water supply projects are anticipated at this time.

The City will also continue to expand its recycled water system, as discussed in Section 6.2.2.2.

6.8 Historical Production and Future Water Supplies

As discussed in Section 6.1, the City's water supply sources include:

- Groundwater pumped from the Chino Basin
- Treated groundwater from the Chino Basin produced by CDA
- Treated, imported water purchased from WFA

- Groundwater and/or surface water purchased from SAWCo
- Recycled water purchased from IEUA

The City's main source of water supply is groundwater pumped from the Chino Basin. A tabulation of the City's historical water uses is provided below in Table 6-7. Table 6-8 shows the City's supplies in 2025.

Table 6-7 - Historical Water Use by Source

Fiscal Year	System Water Supply Sources						Total
	Potable Water					Recycled Water	
	Groundwater	Purchased Water			Subtotal		
	Chino Basin	CDA	WFA	SAWCo			
2015-16	22,751	2,682	2,755	338	28,526	7,510	36,036
2016-17	24,671	3,069	4,132	171	32,043	8,351	40,394
2017-18	26,109	4,032	3,211	341	33,693	9,653	43,346
2018-19	19,604	5,724	5,737	403	31,468	7,511	38,979
2019-20	18,184	6,636	6,513	565	31,898	7,812	39,710
2020-21	20,281	7,337	5,851	500	33,969	8,556	42,525
2021-22	18,628	8,927	5,687	430	33,671	9,593	43,264
2022-23	16,385	8,589	4,055	413	29,442	8,790	38,232
2023-24	14,345	8,680	5,505	485	29,015	9,180	38,195
2024-25	18,672	8,353	5,103	490	32,619	11,406	44,025

Source: Data provided by Ontario Municipal Utility Company

Table 6-8- 2025 Water Supplies - Retail

Water Supply	Additional Description	2025 Actual Volume	
Groundwater (not desalinated)	Chino Basin	Potable	18,672
Purchased or Imported Water	WFA	Potable	8,353
Purchased or Imported Water	CDA	Potable	5,103
Purchased or Imported Water	SAWCO	Potable	490
Recycled Water	IEUA Purchase	Non-Potable	11,406
		Subtotal Potable	**32,619**
		Subtotal Non-Potable	**11,406**
		Total	**44,025**

Anticipated future supply use through 2050 is presented in Table 6-9. The City has fixed entitlements to CDA and SAWCO purchases of 8,533 AFY and 600 AFY, respectively, so production from those sources is expected to remain consistent in the future. The City anticipates sharp demand growth due to urban development in the south side of its service area. To meet the growing demand, both imported water purchased from WFA and Chino Basin groundwater supplies will increase. Recycled water projections were provided to IEUA and are based off expected growth within the IEUA Recycled Water Program Strategy Update. Additional recycled water supply is available within the City's entitlement under the Regional Sewerage Contract. As described in Section 1.5, Ontario and WFA are member agencies of IEUA, who has prepared its own 2025 UWMP, which provides a demonstration of IEUA's and member agencies' reduced Delta reliance and improved regional self-reliance as described in Appendix B.

The supply projections in Table 6-9 represent Ontario's planned use of supplies in a normal hydrologic year. The reliability of these supplies under dry conditions is evaluated in Section 7.

Table 6-9 - Projected Water Supplies - Retail

Water Supply	Projected Water Supply						
Supply	Additional Detail on Water Supply	Water Quality	2030	2035	2040	2045	2050 (opt)
Groundwater (not desalinated)	Chino Basin	Potable	29,611	30,222	39,860	39,860	39,860
Purchased or Imported Water	WFA	Potable	4,793	6,279	6,711	6,711	6,711
Purchased or Imported Water	CDA	Potable	8,533	8,533	8,533	8,533	8,533
Purchased or Imported Water	SAWCO	Potable	600	600	600	600	600
Recycled Water	IEUA Purchase	Non-Potable	13,465	14,762	16,467	16,467	16,467
Subtotal Potable			43,537	45,634	55,704	55,704	55,704
Subtotal Non-Potable			13,465	14,762	16,467	16,467	16,467
Total			57,002	60,396	72,171	72,171	72,171

6.9 Climate Change Effects

Climate change has the possibility of impacting the availability of planned water supplies, particularly during a drought period. Section 4.4 describes climate change considerations that may affect future demands and some supply sources.

Ontario's projected use of imported water incorporates MWD's UWMP, which considers climate change to determine the future availability of imported water in dry, wet, and normal years. While climate change is projected to decrease normal year imported water supplies in the

future, the MWD UWMP affirms that sufficient imported water supplies are available to meet MWD member agency demands during normal years.

Climate change may impact future local precipitation which may lead to reduced natural recharge of local groundwater basins. Despite this, the Chino Basin is proactively managed to prevent pumpers from needing to reduce supplies. The Chino Basin Watermaster and pumpers participate in the OBMP and participate in and fund recharge efforts, including recycled water, which is resilient to climate change.

Ontario has a flexible supply portfolio that includes groundwater, imported water, and recycled water. This diverse water supply portfolio helps the City adapt to different climate change impacts.

6.10 Energy Use

The total average energy consumed was approximately 16,143,167 kWh during FY 2024-2025. The total average volume of water entering the potable water system was approximately 32,619 AF during FY 2024-2025 and does not include recycled water. The energy intensity data and calculations based on the "total utility approach" are provided in Table 6-10 below.

The City calculated its energy intensity using readily available energy consumption data from monthly electricity bills provided by Southern California Edison (SCE) for the entire water system, along with corresponding water use data obtained from available water meter readings. The City does not track energy use for individual water management processes and has estimated energy intensity using a "total utility approach," which sums energy consumption across all water management activities. The total energy consumed excludes electricity usage for general administration (which is not an identified water management process). The total energy consumption includes energy associated with operating groundwater production wells and booster pumps to deliver water in the distribution system. Energy consumption is associated with operating groundwater treatment. Energy consumption is also associated with plant lighting and air conditioning, and operating the Supervisory Control and Data Acquisition (SCADA) system and chlorination injection pumps.

The City's water management processes do not include "non-consequential hydropower generation" where the energy generation is not a direct consequence of water delivery (i.e. energy could be generated even if no water was being delivered to water users).

In addition, the City's water management processes do not include any substantial "self-generated energy sources" including solar, wind, geothermal, biomass, co-generation, and diesel generator sources.

Table 6-10 - Total Utility Approach for Single Water Delivery Products - Energy Reporting

Water Delivery Product	Retail Potable Deliveries	**Only for Water Delivery Products Under the Urban Water Supplier's Operational Control**		
Start Date of Reporting Period	7/1/2024	**Sum of All Water Management Processes**	**Non-Consequential Hydropower**	
End Date of Reporting Period	6/30/2025			
Is upstream embedded energy in the values reported?				
Units of Measure for Water	AF	**Total Utility**	**Hydropower**	**Net Utility**
Volume of Water Entering Process		32,619	-	32,619
Energy Consumed (kWh)		16,143,167	-	16,143,167
Energy Intensity (kWh/vol. converted to MG)		1,519	-	1,519
The total energy consumed was identified based on Southern California Edison (SCE) billing records. The total energy consumed excludes electricity usage for general administration (which is not an identified water management process).				
Narrative:				
The total energy consumption includes energy associated with operating groundwater production wells and booster pumps to deliver water in the distribution system. Energy consumption is associated with operating groundwater treatment. Energy consumption is also associated with plant lighting and air conditioning, and operating the Supervisory Control and Data Acquisition (SCADA) system and chlorination injection pumps.				

7 Water Service Reliability

This section describes water service reliability through 2050. As required by the UWMP Act, the assessment must compare total projected water supply and demands over the next 20 years in five-year increments under normal, single dry water years, and multiple dry water years. This section also includes the DRA, which provides a snapshot of the anticipated surplus or deficit if a drought were to occur in the next five years.

IN THIS SECTION

- Water Service Reliability Assessment
- Drought Risk Assessment

7.1 Introduction

Water service reliability is determined based on the security of water supply and water infrastructure. Evaluating the water service reliability is critical for water management as it can help identify potential problems before these happen. Water managers can then take proactive steps to mitigate shortages by encouraging WUE, securing new water supplies and/or investing in infrastructure.

7.2 Water Service Reliability Assessment

Ontario's 2025 UWMP water service reliability assessment and DRA results indicate that no water shortages are anticipated within the next 25-years under normal, single dry water years, and multiple dry water years. The approach for the analysis and results are discussed in this section.

7.2.1 Service Reliability - Constraints on Water Sources

The City's sources of supplies consist of groundwater pumped from the Chino Basin; treated groundwater from the Chino Basin produced by the CDA; treated, imported surface water purchased from MWD through WFA; groundwater and/or surface water purchased from SAWCo; and recycled water purchased from IEUA, as described in Section 6.

The City produces groundwater from the Chino Basin. The groundwater historically has been previously impacted by contamination. However, the City has developed and implemented appropriate treatment (blending and/or treatment facilities) which have been approved by the State Water Board. These groundwater supplies are considered reliable both from a water quality and quantity standpoint.

The City's treated imported water supplies from MWD, through WFA, may be impacted during a multi-year drought or other conditions which limits MWD from delivering sufficient water supplies to all of its member agencies, and consequently to IEUA, WFA, and the City. Imported water from MWD has multiple constraints that are addressed separately in MWD's 2025 UWMP. As described in Section 1.5, Ontario and WFA are member agencies of IEUA, who has prepared its own 2025 UWMP, which provides a demonstration of IEUA's and member agencies' reduced Delta reliance and improved regional self-reliance as described in Appendix B.

7.2.2 Service Reliability – Year Type Characterization

In accordance with CWC Section 10635(a), every urban water supplier must provide their expected water service reliability for a normal year, single dry year, and five consecutive dry years for 2030, 2035, 2040, 2045, and optionally 2050.

DWR defines these years as:

- **Normal Year:** This condition represents a single year or an averaged range of years that most closely represents the average water supply available.

- **Single Dry Year:** The single dry year is recommended to be the year that represents the lowest water supply available.
- **Five-Consecutive Year Drought:** The driest five-year historical sequence for the supplier, which may be the lowest average water supply available for five years in a row.

As a result of Ontario's diverse water supply portfolio, water supplies may be re-apportioned during dry years to meet Ontario's water demands. It is anticipated that future demands and supply will fluctuate from average conditions at the rate they did during historic dry conditions. To determine the percentage of demand fluctuation in dry periods, historic rainfall and production were assessed to determine average and dry years. The percentage differences in production for dry years compared to average are shown in Table 7-1.

Table 7-1- Water Supply Reliability Assessment - Retail

Year Type	Base Year	Volume Available	% of Average Supply
Average Year	2012-2025	32,656	100%
Single-Dry Year	2018	33,693	103%
Consecutive Dry Years 1st Year	2012	35,111	108%
Consecutive Dry Years 2nd Year	2013	35,837	110%
Consecutive Dry Years 3rd Year	2014	36,769	113%
Consecutive Dry Years 4th Year	2015	33,128	101%
Consecutive Dry Years 5th Year	2016	28,526	87%

7.2.3 Water Service Reliability – Supply and Demand Comparison

Results of the water supply and demand analysis for normal, single dry, and five-year consecutive drought are shown in the following sections. Based on reliability analyses in MWD, IEUA, CDA, and WFA UWMPs, and Chino Basin rights and management practices described in Sections 6.1 and 7.2.4, the City expects to meet demands under all water year scenarios. However, Ontario is committed to continuing water conservation efforts to ensure reliability and resiliency in the future.

7.2.3.1 Water Service Reliability – Normal Year

Table 7-2 summarizes Ontario's projected demands and supply over the next 25 years in five-year increments and are projected to be met by Ontario's available supply.

Table 7-2- Normal Year Supply and Demand Comparison - Retail

	2030	2035	2040	2045	2050
Supply totals	**43,537**	**45,634**	**55,704**	**55,704**	**55,704**
Use totals	**43,537**	**45,634**	**55,704**	**55,704**	**55,704**
Surplus/(shortfall)	0	0	0	0	0

7.2.3.2 Water Service Reliability – Single-Dry Year

Table 7-3 summarizes Ontario's projected demands and supply over the next 25 years in five-year increments during single dry years. Dry year demands are expected to change from average demands by the percentages shown in Table 7-1 and are projected to be met by Ontario supply.

Table 7-3- Single Dry Year Supply and Demand Comparison - Retail

	2030	2035	2040	2045	2050
Supply totals	**44,919**	**47,082**	**57,472**	**57,472**	**57,472**
Use totals	**44,919**	**47,082**	**57,472**	**57,472**	**57,472**
Surplus/(shortfall)	0	0	0	0	0

7.2.3.3 Water Service Reliability – Five Consecutive Dry Years

Table 7-4 summarizes Ontario's projected demands and supply over the next 25 years in five-year increments during five consecutive years of drought conditions. Dry year demands are expected to change from average demands by the percentages of average shown in Table 7-1 and are projected to be met by Ontario's available supply.

Table 7-4- Five Consecutive Dry Years Supply and Demand Comparison - Retail

		2030	2035	2040	2045	2050 (Opt)
First Year	**Supply Totals:**	46,810	49,064	59,891	59,891	59,891
	Use Totals:	46,810	49,064	59,891	59,891	59,891
	Surplus/(shortfall)	0	0	0	0	0
Second Year	**Supply Totals:**	47,778	50,079	61,130	61,130	61,130
	Use Totals:	47,778	50,079	61,130	61,130	61,130
	Surplus/(shortfall)	0	0	0	0	0
Third Year	**Supply Totals:**	49,020	51,381	62,719	62,719	62,719
	Use Totals:	49,020	51,381	62,719	62,719	62,719
	Surplus/(shortfall)	0	0	0	0	0
Fourth Year	**Supply Totals:**	44,166	46,293	56,509	56,509	56,509
	Use Totals:	44,166	46,293	56,509	56,509	56,509
	Surplus/(shortfall)	0	0	0	0	0
Fifth Year	**Supply Totals:**	38,031	39,862	48,659	48,659	48,659
	Use Totals:	38,031	39,862	48,659	48,659	48,659
	Surplus/(shortfall)	0	0	0	0	0

7.2.4 Description of Management Tools and Options

As noted in Section 6.1.1, the Chino Basin is managed under the Chino Basin adjudication. During the period of management under the Judgment, significant drought events have occurred. In each drought cycle the Chino Basin has been managed to maintain water levels. Therefore, based on historical and on-going management practices, the City will be able to rely on the Chino Basin for adequate supply over the next 25 years under single dry years and a five consecutive year drought periods.

Section 6.1.1.4 provides a description of the management of groundwater resources in the Chino Basin, as well as information on basin management. Section 6 also demonstrates the management structure of the Chino Basin provides a reliable source of groundwater supply for

the City during a normal year, a single-dry year and a five consecutive year drought. Historical data indicates the Chino Basin has been well managed for the full period of the adjudication, resulting in a stable and reliable water supply.

While Ontario does not anticipate any shortfall during drought periods, the City is committed to supporting the water reliability of the region overall. Some of the management tools and options available to the City for increasing its water supply and reducing water demand have been described within other sections of this document. These tools and options include prioritizing maximizing the use of local water resources and minimizing the need for imported water due to the vulnerability of MWD imported water to climate change impacts such as changing precipitation patterns. Ontario also has a robust WUE program detailed in Section 9 that identifies the most effective WUE measures and partnerships for implementation in the region. Additional tools available to the region include water agency interconnections and mutual aid agreements with other local agencies.

7.3 Drought Risk Assessment

CWC Section 10635 (b) requires a DRA. The DRA provides a quick snapshot of the anticipated surplus or deficit if a five-consecutive year drought were to occur in the next five years. The DRA informs the WSCP and can be modified or updated outside of the UWMP five-year plan cycle, so a description of the data, methodology, and basis for shortage conditions must be included in this 2025 UWMP. The DRA evaluates each water supply's reliability and compares available water supplies and projected demands during a five-consecutive dry years scenario. This short-term analysis can help water suppliers foresee undesired risks, such as upcoming shortages, and provide time to evaluate and implement the necessary response actions needed to mitigate shortages in a less impactful manner to the community and environment.

7.3.1 Data, Methods, and Basis for Water Shortage Condition

The DRA builds on the water service reliability analysis from Section 7.2, which incorporated assessment of historical consumption data by customer class, populated from billing records, and historical supply data by source from production reports. Based on this data, historical demand has never exceeded available supply. For this DRA analysis, normal year demand conditions and five consecutive year drought supply conditions were considered for 2026-2030.

7.3.2 DRA Water Source Reliability

As described previously, Ontario does not anticipate any supply shortages within the next five years as shown in Table 7-5. Average year demands were estimated by linear interpolation from 2025 to 2030. Then, dry year demand response percentages were applied 2026-2030 average demands based on Table 7-1.

Table 7-5- Five-Year Drought Risk Assessment - Retail

2026	Total
Total Water Use:	**37,419**
Total Supplies:	**37,419**
Surplus/Shortfall w/o WSCP Action	0
2027	**Total**
Total Water Use:	**40,589**
Total Supplies:	**40,589**
Surplus/Shortfall w/o WSCP Action	0
2028	**Total**
Total Water Use:	**44,103**
Total Supplies:	**44,103**
Surplus/Shortfall w/o WSCP Action	0
2029	**Total**
Total Water Use:	**41,951**
Total Supplies:	**41,951**
Surplus/Shortfall w/o WSCP Action	0
2030	**Total**
Total Water Use:	**38,031**
Total Supplies:	**38,031**

8 Water Shortage Contingency Plan

The Water Shortage Contingency Plan (WSCP) is a detailed plan for how City intends to act in the case of an actual water shortage condition. This allows for management of a shortage with predictability and accountability.

IN THIS SECTION

- Overview of WSCP Components
- Water Supply Reliability Analysis
- Annual Water Supply and Demand Assessment
- Six Standard Water Shortage Levels
- Shortage Response Actions
- Communication Protocols
- Compliance, Enforcement, and Legal Authorities
- Implementation

8.1 Introduction

The CWC Section 10632 requires that every urban water supplier shall prepare and adopt a standalone WSCP as part of its UWMP.

The WSCP is a strategic plan that City of Ontario uses to prepare for and respond to foreseeable and unforeseeable water shortages. A water shortage occurs when the water supply available is insufficient to meet the normally expected customer water use at a given point in time. A shortage may occur due to a number of reasons, such as water supply quality changes, climate change, drought, regional power outage, and catastrophic events (e.g., earthquake). Additionally, the State may declare a statewide drought emergency and mandate that water suppliers reduce demands. The WSCP serves as the operating manual that City of Ontario will use to prevent catastrophic service disruptions through proactive, rather than reactive, mitigation of water shortages.

The WSCP provides a process for an Annual Assessment and structured steps designed to respond to actual conditions. This level of detailed planning and preparation provides accountability and predictability and will help City of Ontario maintain reliable supplies and reduce the impacts of any supply shortages and/or interruptions.

8.2 Overview of WSCP Components

The CWC establishes several prescriptive elements that must be included in a retail water supplier's WSCP. Each element and its location within the WSCP is described below.

Water Supply Reliability Analysis: Summarizes City of Ontario's water supply analysis and reliability and identifies any key issues that may trigger a shortage condition.

Annual Water Supply and Demand Assessment Procedures: Describes the key data inputs, evaluation criteria, and methodology for assessing the system's reliability for the coming year and the steps to formally declare any water shortage levels and response actions.

Shortage Stages: Establishes water shortage levels to clearly identify and prepare for shortages.

Shortage Response Actions: Describes the response actions that may be implemented or considered for each stage to reduce gaps between supply and demand.

Communication Protocols: Describes communication protocols under each stage to ensure customers, the public, and government agencies are informed of shortage conditions and requirements.

Compliance and Enforcement: Defines compliance and enforcement actions available to administer demand reductions.

Legal Authorities: Lists the legal documents that grant City of Ontario the authority to declare a water shortage and implement and enforce response actions.

Financial Consequences of WSCP Activation: Describes the anticipated financial impact of implementing water shortage stages and identifies mitigation strategies to offset financial burdens.

Monitoring and Reporting: Summarizes the monitoring and reporting techniques to evaluate the effectiveness of shortage response actions and overall WSCP implementation. Results are used to determine if additional shortage response actions should be activated or if efforts are successful and response actions should be reduced.

WSCP Refinement Procedures: Describes the factors that may trigger updates to the WSCP and outlines how to complete an update.

Special Water Feature Distinctions: Identifies exemptions for decorative features aside from pools and spas.

Plan Adoption, Submittal, and Availability: Describes the process for the WSCP adoption, submittal, and availability after each revision.

The WSCP was prepared in conjunction with City of Ontario's 2025 UWMP and is a standalone document that can be modified as needed. The document is compliant with the CWC Section 10632 and incorporates guidance from the UWMP Guidebook 2025 (Guidebook) (Department of Water Resources, 2025).

8.3 Water Supply Reliability Analysis

The City's sources of supply were discussed in Section 6 of the 2025 UWMP and consist of groundwater pumped from the Chino Basin; treated groundwater from the Chino Basin produced by the CDA; treated, imported water purchased from MWD through WFA; groundwater and/or surface water purchased from SAWCo; and recycled water purchased from IEUA. The City provides recycled water for irrigation instead of potable supplies. The Chino Basin is adjudicated, and groundwater supplies are managed.

The reliability of the various sources of supply are discussed in Section 7 of the 2025 UWMP. Based on the adjudication provisions in the Chino Basin, the City can produce groundwater in excess of its rights, provided the City pays assessments to the Chino Basin Watermaster, which are used to purchase water to replenish the Chino Basin. Imported water supplies (both treated and untreated) may be impacted in the event MWD implements its Water Supply Allocation Plan (WSAP) due to a water supply shortage. Finally, recycled water is locally generated and generally is not impacted by drought conditions.

Pursuant to CWC Section 10635, the City has conducted an analysis of its long-term water supply reliability which compares future water demands to best projections of supply availability under a range of hydrologic conditions. This analysis was most recently completed as a part of the City's 2025 UWMP, within its Water Service Reliability Assessment and DRA. This section of the WSCP provides a concise summary of these assessments. The City recognizes that the WSCP is a stand-alone document that may be updated independently from the UWMP. In the

event of updates to the supply and demand projections outside of the UWMP planning cycle, this section of the WSCP may be updated to reflect revisions to the Water Service Reliability Assessment and the DRA.

The City's UWMP Section 7.2 summarizes the City's projected water demands and supplies over the next 25 years in five-year increments, including during normal years, single dry years, and a five consecutive year drought periods. It is anticipated that the City will have sufficient water supplies available to meet projected demands.

8.4 Annual Water Supply and Demand Assessment Procedures

Since July 1, 2022, the City has been required to submit an Annual Assessment in accordance with DWR's guidance and requirements. The Annual Assessment includes a review of the City's unconstrained water demands (i.e. water demands prior to any projected response actions the City may trigger under this WSCP) for the current year and the upcoming (potential single dry) year. The City also assesses information regarding anticipated shortages, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the City's WSCP.

For each Annual Assessment, the City plans to prepare a preliminary assessment which evaluates the adequacy of its water supplies for the current and upcoming years. The preliminary assessment will include a review of water supplies for at least a single dry year.

The components of an Annual Assessment consist of the following:

- A decision-making process
- Key data inputs and assessment methodology

8.4.1 Decision Making Process

The City produces groundwater from the Chino Basin as its primary source of water supply and that basin is managed on a FY basis. Consequently, during the third quarter of each FY the City will review its water demands from the initial six months along with the current groundwater basin conditions and local hydrology. This information will be used to help develop the Annual Assessment. A draft of the Annual Assessment will be circulated internally within the Utilities Water Resources Department for peer review and comment. Based on comments received, a redraft will be prepared and provided to the Water Resources Manager during the Spring of each year. If a new water shortage stage or new shortage response actions are required, a final draft of the Annual Assessment may be provided to the General Manager and City Council for review such that any recommended specific shortage response actions may be enacted. The final Annual Assessment will be provided to DWR no later than July 1 of each year.

The Annual Assessments will be instrumental in providing guidance to the City for decisions regarding potential declarations of a water supply shortage and implementation of water reduction stages, instituting mandatory water restrictions, promoting WUE and conservation

programs, adopting and implementing water rates and drought rate surcharges, and pursuing alternative water supplies when necessary. This process will help ensure adequate water supply resources are available to the City.

8.4.2 Data and Methodologies

The key data inputs and methodologies which will be evaluated by the City during the preparation of the preliminary assessment will include the following:

1. **Evaluation Criteria:** The locally applicable evaluation criteria used to prepare the Annual Assessment will be identified. The evaluation criteria may include, but is not limited to, an analysis of current local hydrology (including rainfall and groundwater levels), current water demands, a review of water system improvement plans which may impact infrastructure availability, and water quality regulations which may impact groundwater availability.
2. **Water Supply:** An assessment of each available water supply source will be conducted. The assessment may include a quantification of each available water supply source based on review of current production capacities, historical production, UWMPs, and prior water supply studies (including Water Supply Assessments and/or Master Plans).
3. **Unconstrained Water Demand:** The potential unconstrained water demands during the current year and the upcoming (potential single dry) year, prior to any special shortage response actions, will be reviewed. The review may include factors such as weather, existing and projected land uses and populations, actual customer consumption and water use factors, monthly demand and supply reports, existing water shortage levels (see Section 8.5), and existing water conservation ordinances (see Section 9 of UWMP).
4. **Planned Water Use for Current Year Considering Dry Subsequent Year:** The water supplies available and projected for use to meet the demands during the current year and the upcoming (potential single dry) year will be considered and identified by each type of supply. The evaluation may include factors such as estimated water demands, weather, groundwater basin operating safe yields, water quality results, existing available pumping capacities, imported water allocations, contractual obligations, regulatory issues, use of emergency interconnections, and the costs associated with producing each water supply source.
5. **Infrastructure Considerations:** The capabilities of the water system infrastructure to meet the water demands during the current year and the upcoming (potential single dry) year will be considered. Available production capacities (e.g. groundwater well capacities) and distribution system water losses will be reviewed. In addition, capital improvement and replacement projects, as well as potential projects which may increase water system and production capacities, will be considered.
6. **Other Factors:** Additional local considerations, if any, which can affect the availability of water supplies will be described.

8.5 Six Standard Water Shortage Levels

The City has a legal responsibility to provide water utility services, including water for residential, commercial, industrial, public authority, and for public fire hydrants and private fire services. The City will manage water supplies prudently to minimize the adverse impacts of water shortages. The City's WSCP is designed to provide water supplies in the event there is a severe or extended water shortage. This includes structured stages of action referred to as water supply shortage planning levels. Table 8-1 provides a description of the six standard levels of action which may be triggered by a shortage in one or more of the City's water supply sources, depending on the severity of the shortage and its anticipated duration.

Table 8-1- Water Shortage Contingency Planning Levels

Shortage Level	Percent Shortage Range	Shortage Response Actions (Narrative description)
1	Up to 10%	Washing of motor vehicles, trailers, boats, or other types of mobile equipment shall be done only with a hand-held bucket or a hose equipped with a positive shutoff nozzle for quick rinses, except that washing may be done at the immediate premises of a commercial car wash or with reclaimed wastewater. No person shall sprinkle, water, or irrigate any landscaped or vegetated areas between the hours of 9:00 a.m. and 4:00 p.m.
2	Up to 20%	In addition to Shortage Level 1, operators of hotels and motels must provide the option of choosing not to have towels and linens laundered daily. Irrigation is prohibited during and within 48 hours of rainfall.
3	Up to 30%	In addition to Shortage Level 2, the use of fire hydrants shall be limited to fire fighting and related activities and other uses of water for municipal purposes shall be limited to activities necessary to maintain the public health, safety, and welfare. Unless written permission has been granted by the City Manager or his/her designee, the use of potable water for construction activities and grading shall be prohibited.
4	Up to 40%	In addition to Shortage Level 3, residents and CII customers will be prohibited from irrigating turf or other landscaping more than two days a week. No person shall irrigate any turf or landscaped area more than fifteen minutes (15) on watering days. No vehicles shall be washed unless it is taken to a carwash.
5	Up to 50%	In addition to Shortage Level 4, residents and CII customers will be prohibited from irrigating turf or other landscaping more than one day a week.
6	Greater than 50%	In addition to Shortage Level 5, unless otherwise permitted by a resolution of the City Council, there shall be no use of potable water for irrigation of outdoor landscape or turf. Commercial nurseries shall be prohibited from the use of potable water for irrigation of outdoor, landscape and turf except by use of a hand-held hose equipped with a positive shutoff nozzle. The following nonessential use of water shall be prohibited: the filling, cycling, filtering, or refilling of swimming pools, spas, Jacuzzis, fountains, or other like devices.

The 2025 UWMP requires urban water suppliers to have six standardized water shortage response actions in accordance with DWR. The City's previous WSCP, originally included in the

City's 2015 UWMP's as Ordinance No. 3027 (City of Ontario, 2021) established a voluntary stage followed by four water supply shortage levels that would be mandatory once put into effect: Stage 1 addresses a water supply shortage of up to 10 percent; Stage 2 addresses a water supply shortage of up to 20 percent; Stage 3 addresses a water supply shortage of anywhere between 20 percent to 50 percent; and Stage 4 addresses a water supply shortage of more than 50 percent.

During the 2020 UWMP cycle, the City prepared a Water Conservation Plan (City of Ontario, 2021) that addressed the six standard stages of action in accordance with DWR. Under this Water Conservation Plan, the City continued to incorporate Ordinance No. 3027's voluntary stage during normal water supply conditions as well as the existing Stage 1 and Stage 2 water supply shortage levels as is. However, the City amended Stage 3 to address a water supply shortage of up to 30 percent. In addition, the City included Stage 4 and Stage 5 that will be used to address a water supply shortage of up to 40 percent, and 50 percent, respectively. The City's existing Stage 4 was amended to a Stage 6 level which addresses a water supply shortage of more than 50 percent. For the 2025 UWMP, the City will continue to follow the Water Conservation Plan.

In 2023, California chaptered into law the Non-Function Turf Irrigation Regulations (Assembly Bill 1572) requiring all public water systems to revise their ordinances to ban irrigation, with potable water, of non-functional turf located on commercial, industrial, and institutional properties. The City is working toward updating their Municipal Code (Title 6 Chapter 8A for Water Conservation Plan) to include the required language within General Prohibitions, not affecting the Conservation Stages.

8.6 Shortage Response Actions

8.6.1 Demand Reduction

8.6.1.1 Voluntary Conservation Stage

All people are encouraged to voluntarily limit the amount of water used to the amount absolutely necessary for health and safety, business operations, and irrigation. Except as otherwise provided in this chapter where a declared water shortage stage or water shortage emergency requires mandatory or other more stringent requirements, the following elements of conservation apply at all times on a voluntary basis by all people within the City:

1) Avoid hose washing of sidewalks, walkways, driveways, parking areas, or other paved surfaces, except as required for sanitary purposes. If a person uses a hand-held hose to wash any paved surfaces, the hose shall be equipped with a positive shutoff nozzle.
2) Wash motor vehicles, trailers, boats, and other types of mobile equipment using a hand-held bucket, or a hose equipped with a positive shutoff nozzle for quick rinses,

or at the immediate premises of a commercial car wash or with recycled wastewater for approved uses.

3) Avoid using water to clean, fill, or maintain levels in decorative fountains, ponds, lakes, or other similar aesthetic structures unless such water is part of a recycling system.
4) Encourage restaurants, hotels, cafes, cafeterias, or other public places where food is sold, served or offered for sale, to serve drinking water only to those customers expressly requesting water.
5) Promptly repair all leaks from indoor and outdoor plumbing fixtures.
6) Avoid watering lawn, landscape or other turf areas more often than every other day and during the hours between 6:00 a.m. and 6:00 p.m.
7) Avoid causing or allowing the water to run off landscape areas into adjoining streets, sidewalks, or other paved areas due to incorrectly directed or maintained sprinklers or excessive watering.

8.6.1.2 Stage 1 Water Supply Shortage (Up to 10%)

During a Stage 1, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that the City's water conservation goals are not being met by voluntary water conservation measures, or that the City's water supplies are likely to be reduced by up to ten percent (10%) or it has otherwise been requested or directed by executive order or regulation of a State agency to reduce its potable water consumption or production by a specified amount.

1) Except as required for health and sanitary purposes, washing of sidewalks, driveways, parking areas or other paved surfaces is prohibited. Any hand-held hose used for such purposes shall be equipped with a positive shutoff nozzle.
2) Washing of motor vehicles, trailers, boats or other types of mobile equipment shall be done only with a hand-held bucket or a hose equipped with a positive shutoff nozzle for quick rinses, except that washing may be done at the immediate premises of a commercial car wash or with reclaimed wastewater.
3) No water shall be used to clean, fill or maintain levels in decorative fountains, ponds, lakes or other similar aesthetic structures unless such water is part of a recycling system.
4) No restaurant, hotel, café, cafeteria or other public place where food is sold, served or offered for sale, shall serve drinking water to any customer unless expressly requested.
5) All water customers of the City shall promptly repair all leaks from indoor and outdoor plumbing fixtures. Such leak shall be repaired in a timely manner after notification by the City, but in no case after notification in excess of 72 hours for the first violation and then every 72 hours thereafter for the second and third violations.
6) No person shall sprinkle, water, or irrigate any landscaped or vegetated areas between the hours of 9:00 a.m. and 4:00 p.m. In any event, such watering shall not

be in excess of needs nor be of a manner that allows water flow onto streets or other paved areas. The above mentioned may be watered by a hand-held hose equipped with a positive shutoff nozzle at any time of the day. Commercial nurseries, golf courses, and other water-dependent industries are exempt.

7) No water customer of the City shall cause or allow the water to run off landscaped area into adjoining streets, sidewalks or other paved areas due to incorrectly directed or maintained sprinkler or excessive watering.

8) The use of water from fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through a proper City-Designated meter. The use of potable water for construction activities shall be restricted in areas where recycled water is available for such use.

8.6.1.3 Stage 2 Water Supply Shortage (Up to 20%)

During a Stage 2, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than ten percent (10%) up to twenty percent (20%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in Stage 1 shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.

2) Filling or refilling of empty swimming pools shall not occur without the written permission of the City Manager or his/her designee.

3) All customers are prohibited from irrigating turf or ornamental landscapes during and within 48 hours following measurable rainfall.

4) Operators of hotels and motels must provide guests with the option of choosing not to have towels and linens laundered daily and prominently display notice of this option.

5) All persons, including the City, are prohibited from irrigating with potable water any ornamental turf on public street medians.

6) The use of potable water irrigation outside of newly constructed homes and buildings shall be consistent with the California Building Standards Commission and the Department of Housing & Community Development.

8.6.1.4 Stage 3 Water Supply Shortage (Up to 30%)

During a Stage 3, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than twenty percent (20%) and up to thirty percent (30%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.

2) Residents and CII customers will be prohibited from irrigating any turf or landscape area more than four (4) days a week.
3) The use of water from fire hydrants shall be limited to fire fighting and related activities and other uses of water for municipal purposes shall be limited to activities necessary to maintain the public health, safety, and welfare. Unless written permission has been granted by the City Manager or his/her designee, the use of potable water for construction activities and grading shall be prohibited.

8.6.1.5 Stage 4 Water Supply Shortage (Up to 40%)

During a Stage 4, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than thirty percent (30%) and up to forty percent (40%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.
2) Residents and CII customers will be prohibited from irrigating turf or other landscaping more than two (2) days a week.
3) No person shall irrigate any turf or landscaped area more than fifteen minutes (15) on watering days.
4) No vehicles shall be washed unless it is taken to a carwash.

8.6.1.6 Stage 5 Water Supply Shortage (Up to 50%)

During a Stage 5, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than forty percent (40%) and up to fifty percent (50%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.
2) Residents and CII customers will be prohibited from irrigating turf or other landscaping more than one (1) day a week.

8.6.1.7 Stage 6 Water Supply Shortage Emergency (More than 50%)

During Stage 6, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than fifty percent (50%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State agency to reduce its potable water consumption or production by a specified amount. A water shortage emergency may be declared whenever the City Council finds and determines that the ordinary demands and requirements of water

consumers cannot be satisfied without depleting the water supply of the City to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency may include an immediate emergency. An immediate emergency may occur as a result of a breakage or failure of a dam, pump, pipe line or conduit, a major earthquake, large-scale fire, or other so called "Act of God" which may have serious impacts on the City's available water supply.

The following restrictions on the use of potable water shall be applicable during a Stage 6 Water Supply Shortage Emergency:

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.
2) Unless otherwise permitted by a resolution of the City Council, there shall be no use of potable water for irrigation of outdoor landscape or turf.
3) Commercial nurseries shall be prohibited from the use of potable water for irrigation of outdoor, landscape and turf except by use of a hand-held hose equipped with a positive shutoff nozzle.
4) The following nonessential use of water shall be prohibited: the filling, cycling, filtering, or refilling of swimming pools, spas, Jacuzzis, fountains or other like devices.

Table 8-2- Demand Reduction Actions

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1	Other - Prohibit use of potable water for washing hard surfaces	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Other - Require automatic shut of hoses	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Water Features - Restrict water use for decorative water features, such as fountains	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1	CII - Restaurants may only serve water upon request	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Landscape - Limit landscape irrigation to specific times	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Landscape - Restrict or prohibit runoff from landscape irrigation	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1	Other	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF	The use of water for fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through proper city-designated meter. The use of potable water for construction activities shall be restricted in areas where recycled water is available for such use.	Yes
2	Other	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	Includes all Stage 1 actions	Yes
2	Other water feature or swimming pool restriction	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	Filling or refilling of empty swimming pools shall not occur without the written permission of the City Manager or his/her designee.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
2	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	All customers are prohibited from irrigating turf or ornamental landscapes during and within 48 hours following measurable rainfall.	Yes
2	CII - Lodging establishment must offer opt out of linen service	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF		Yes
2	Landscape - Prohibit all landscape irrigation	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	All persons, including the City, are prohibited from irrigating with potable water any ornamental turf on public street medians.	Yes
2	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	The use of potable water for irrigation outside of newly constructed homes and buildings shall be consistent with California Building Standards Commission and Department of Housing & Community Development.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
3	Other	Collective reduction from all Shortage Level 3 actions is up to 14,137 AF	includes all Stage 2 actions	Yes
3	Landscape - Limit landscape irrigation to specific days	Collective reduction from all Shortage Level 3 actions is up to 14,137 AF	Residents and CII customers will be prohibited from irrigating any turf or landscape area more than four days a week.	Yes
3	Other - Prohibit use of potable water for construction and dust control	Collective reduction from all Shortage Level 3 actions is up to 14,137 AF	The use of water from fire hydrants shall be limited to fire fighting and related activities and other uses of water for municipal purposes shall be limited to activities necessary to maintain the public health, safety and welfare. Unless written permission has been granted by the City Manager or his/her designee, the use of potable water for construction activities and grading shall be prohibited.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
4	Other	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF	Includes all Stage 3 actions	Yes
4	Landscape - Limit landscape irrigation to specific days	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF	Residents and CII customers will be prohibited from irrigating any turf or landscape area more than two days a week.	Yes
4	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF	No person shall irrigate any turf or landscaped area more than fifteen minutes (15) on watering days.	Yes
4	Other - Prohibit vehicle washing except at facilities using recycled or recirculating water	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF		Yes
5	Other	Collective reduction from all Shortage Level 5 actions is up to 23,561 AF	Includes all Stage 4 actions	Yes
5	Landscape - Limit landscape irrigation to specific days	Collective reduction from all Shortage Level 5 actions is up to 23,561 AF	Residents and CII customers will be prohibited from irrigating any turf or landscape area more than one day a week.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
6	Other	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF	Includes all Stage 5 actions	Yes
6	Landscape - Prohibit all landscape irrigation	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF	Commercial nurseries shall be prohibited from the use of potable water for irrigation of outdoor, landscape and turf except by use of a hand-held hose equipped with a positive shutoff nozzle.	Yes
6	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF		Yes
6	Other water feature or swimming pool restriction	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF	The following nonessential uses of water shall be prohibited: the filling, cycling, filtering, or refilling swimming pools, spas, Jacuzzis, fountains or other like devices.	Yes

8.6.2 Supply Augmentation

The City does not plan to add a new source of water supply to address customer demands, but instead will consider increased supplies from existing sources. Instead, the City will focus on demand reduction measures in the event existing sources of supply are not sufficient to meet customer demands. As discussed in UWMP Section 6, the City's sources of water supply

include: groundwater pumped from the Chino Basin; treated groundwater from the Chino Basin produced by the CDA; treated, imported surface water purchased from MWD through WFA; groundwater and/or surface water purchased from San Antonio Water Company; and recycled water purchased from IEUA. The City's main source of water supply is groundwater pumped from the Chino Basin. As noted in Section 8.4, since July 1, 2022, the City prepares and submit an Annual Assessment which will include a review of water supplies available to meet water demands for the current and upcoming years. In the event the City is currently in, or considers entering into, one of the standard water shortage levels identified in Section 8.5, the City will consider the water supply augmentation actions described below.

For each water shortage level discussed in Section 8.5, the City will consider supplementing its existing water supplies through increased groundwater production instead of the purchase of additional imported water supplies, to the extent possible.

As discussed previously, WFA's and IEUA's source of water supply is strictly imported surface water from MWD purchased through IEUA and treated at WFA's treatment facility. WFA does not anticipate augmenting water supplies. IEUA is limited in its ability to implement water supply augmentation actions. IEUA's supply augmentation actions are described in Table 8-3. MWD's supply augmentation actions, described in MWD's WSCP, capture the supply augmentation actions that are relevant to IEUA. To the extent possible, IEUA would coordinate with MWD and its other member agencies on supply augmentation projects during normal and shortage periods to continue expanding water reliability for the entire region.

Table 8-3- Supply Augmentation and Other Actions (DWR Table 8-3)

SHORTAGE LEVEL	SUPPLY AUGMENTATION METHODS AND OTHER ACTIONS BY WATER SUPPLIER	HOW MUCH IS THIS GOING TO REDUCE THE SHORTAGE GAP?	ADDITIONAL EXPLANATION OR REFERENCE
1-6	MWD Supply Augmentation	0 to 100% of shortage gap	Coordinate with MWD and, if needed, purchase supplemental supplies from MWD

Due to previous critically dry conditions, MWD developed the WSAP whereby available supplies are equitably allocated to its member agencies, including CDA, IEUA, and WFA. The WSAP establishes ten different shortage levels and a corresponding drought allocation to each member agency. Based on the shortage level established by MWD, the WSAP provides a reduced drought allocation to a member agency for its Municipal and Industrial (M&I) retail demand. The ratio of MWD water supply drought allocation to local water supply will change based on the WSAP stage.

MWD's primary first response to any gap between core supplies (from the State Water Project and Colorado River) and demand is to make optimal use of its supply augmentation options, consisting of drawing from flexible supply programs and storage reserves. MWD has developed and actively manages a portfolio of water supply programs including water transfer, storage, and exchange agreements. MWD pursues voluntary water transfer and exchange programs to help mitigate supply/demand imbalances and provide additional dry-year supply sources. In addition, MWD has developed significant storage capacity in reservoirs, conjunctive use, and other groundwater storage programs totaling approximately 6.0 million AF. Pursuant to MWD's "Emergency Storage Objective", updated in 2019, approximately 750,000 AF of total stored water is emergency storage reserved by MWD for use in the event of supply interruptions. Based on MWD's historical and on-going water supply and storage programs and management practices, the City will use up to the treated imported water supply made available from MWD through WFA in association with each of the standard water shortage levels identified in Section 8.5. Water demands will be addressed through increased use of the local groundwater supplies and implementation of demand reduction measures through the various stages of action.

The City will consider augmenting its existing water supplies through production of additional groundwater from the Chino Basin. As noted in Section 6, the Chino Basin is managed under the Chino Basin adjudication. During the period of management under the Chino Basin Judgment, significant drought events have occurred. In each drought cycle the Chino Basin has been managed to maintain water levels. Parties to the Chino Basin Judgment, including the City, are authorized to produce groundwater in excess of their rights and pay assessments for such production to the Chino Basin Watermaster. The assessments are used to purchase untreated imported water to replenish the Chino Basin. The Chino Basin Watermaster purchases untreated imported water to replenish the Chino Basin from MWD through IEUA. Groundwater quality is carefully monitored by the Chino Basin Watermaster. Treatment facilities and/or blend plans have been developed by water agencies to meet potable water standards and to prevent the spread of any groundwater contamination. Groundwater quality in the Chino Basin is not expected to impact potable supplies or constrain supply reliability. Based on historical and on-going management practices, the City will be able to continue relying on the Chino Basin for adequate supplies in response to each of the standard water shortage levels identified in Section 8.5.

8.6.3 Operational Changes

During a water supply shortage situation, the City will manage its water supply resources to provide sufficient water supplies capable of meeting the demands of its customers. Section 8.6.1 describes the City's standard water shortage levels and associated demand reduction measures. Section 8.6.2 describes the City's water supply sources and water supply augmentation actions available. The supply augmentation actions and demand reduction measures, when implemented, may potentially result in short-term operational changes which are necessary to allow the City to utilize all available water supply sources in response to water shortage situations.

As noted in Section 8.4, the City prepares and submit an Annual Assessment which will include a review of the water supplies available to meet water demands for the current and upcoming years. Preparation of the Annual Assessment will assist the City in determining any potential operational changes. In addition, the City's standard water shortage levels and the associated demand reduction measures, in conjunction with the City's existing DMMs (discussed in Section 9), will be essential to the City in reducing water demands during any water shortage period. The operational changes the City will consider in addressing non-catastrophic water shortages on a short-term basis include the following:

- Improved monitoring, analysis, and tracking of customer water usage to enforce demand reduction measures
- Optimized production from existing available water supply sources
- Potential use of emergency supply sources, including emergency interconnections
- Potential blending of water supply resources
- Improved monitoring, maintenance, and repairs to reduce water distribution system losses

8.6.4 Additional Mandatory Restrictions

The mandatory restrictions which are implemented by the City to reduce customer demands are discussed in Section 8.6.1. There are no additional mandatory restrictions planned at this time.

8.6.5 Emergency Response Plan

Catastrophic water shortages are incorporated in the City's standard water shortage levels (identified in 8.5) and the associated demand reduction measures (described in Section 8.6.1). In addition to the water supply augmentation actions (Section 8.6.2) and potential operational changes (Section 8.6.3) which the City may consider in order to continue providing sufficient water supplies, the City will review and implement any necessary steps included in its "Emergency Response Plan" (ERP).

As part of the "America's Water Infrastructure Act of 2018", community water systems serving a population greater than 3,300 people, including the City, are required to review and update their "Risk and Resilience Assessment" (RRA) and the associated ERP every five (5) years. However, due to security concerns regarding the submitting of these reports, water systems are required to submit certifications to the United States Environment Protection Agency (USEPA), from March 31, 2025 and December 30, 2026, confirming the current RRA and ERP have been reviewed and updated.

The City's RRA, prepared in March 2025, evaluates the vulnerabilities, threats, and consequences from potential hazards to the City's water system. The City prepared its RRA (which is incorporated by reference) by evaluating the following items:

- Natural hazards and malevolent acts (i.e., all hazards);

- Resilience of water facility infrastructure (including pipes, physical barriers, water sources and collection, treatment, storage and distribution facilities, and electronic, computer and other automated systems);
- Monitoring practices;
- Financial systems (e.g., billing systems);
- Chemical storage and handling; and
- Operation and maintenance.

The District's RRA evaluated a series of potential malevolent acts, natural hazards, and other threats in order to estimate the potential "monetized risks" (i.e. associated economic consequences to both the water system and surrounding region, and the likelihood of occurrence) associated with the City's water facility assets. The cost-effectiveness of implementing potential countermeasures to reduce risks was also reviewed.

The City's ERP, prepared in March 2025, provides the management, procedures, and designated actions the City and its employees will implement during emergency situations (including catastrophic water shortages) resulting from natural disasters, system failures and other unforeseen circumstances. The City's ERP (which is incorporated by reference) provides the guidelines for evaluating an emergency situation, procedures for activating an emergency response, and details of the different response phases in order to ensure that customers receive a reliable and adequate supply of potable water. The scope of the ERP includes emergencies which directly affect the water system and the ability to maintain safe operations (such as a chlorine release, and earthquake or a threat of contamination). The ERP also incorporates the results of City's RRA and includes the following:

- Strategies and resources to improve resilience, including physical and cybersecurity
- Plans and procedures for responding to a natural hazard or malevolent act
- Actions and equipment to lessen the impact of a natural hazard or malevolent act
- Strategies to detect natural hazards or malevolent act

The City will review the ERP for procedures regarding the utilization of alternative water supply sources in response to water supply shortages, including during the standard water shortage levels. The City will also review applicable procedures described in the ERP regarding any necessary temporary shutdown of water supply facilities, including appropriate regulatory and public notifications.

8.6.6 Seismic Risk Assessment and Mitigation Plan

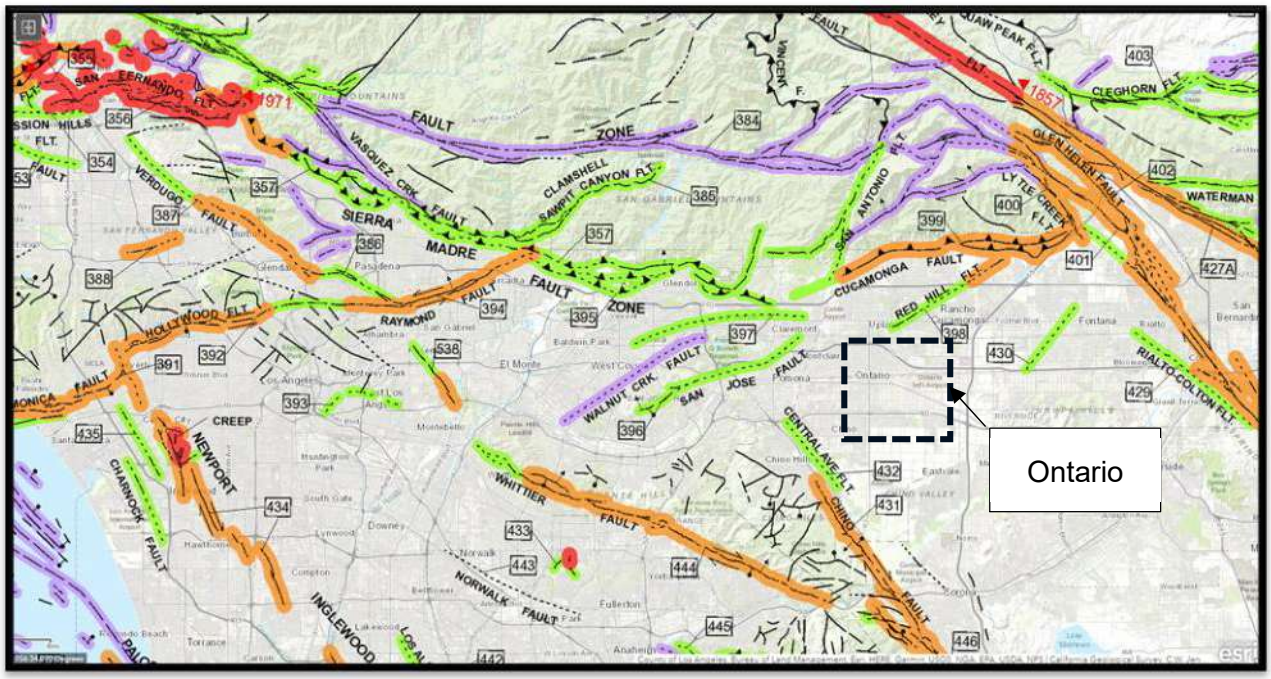
The City prepared a local "Hazard Mitigation Plan" which was approved by the Federal Emergency Management Agency (FEMA) in 2023. The Hazard Mitigation Plan identifies effective ways to assess the significant natural hazards (including earthquakes) that may affect the City and its residents. The Hazard Mitigation Plan provides resources, information, and strategies to reduce the City's vulnerability to these hazards, while providing guidance for the coordination of mitigation activities throughout the City. The Hazard Mitigation Plan includes mitigation projects necessary to reduce seismic risk to the City's water distribution system facilities (including its distribution system pipelines, groundwater wells, booster pumps, and

storage reservoirs) and potential disruptions in providing water service. The City's Hazard Mitigation Plan is provided in Appendix G.

The County of San Bernardino prepared a "Multi-Jurisdictional Hazard Mitigation Plan" which was approved by the FEMA in 2023 (San Bernardino County, 2023). The County's Multi-Jurisdictional Hazard Mitigation Plan identified methods to assess significant natural hazards (including earthquakes) affecting areas throughout San Bernardino County, and the mitigation strategies necessary to reduce risks, including seismic risk. The County's Mitigation Plan is located in Appendix H.

The California Geological Survey has published the locations of numerous faults which have been mapped in the Southern California region. Although the San Andreas fault is the most recognized and is capable of producing an earthquake with a magnitude greater than 8 on the Richter scale, some of the lesser-known faults have the potential to cause significant damage. The locations of these earthquake faults in the vicinity of the City's water service area are provided in the Figure 8-1 below. The faults that are located in close proximity to and could potentially cause significant shaking in the City's water service area include the San Andreas fault, the Walnut Creek fault, the San Jose fault, the Red Hill fault, the Cucamonga fault, the Chino fault, the Rialto-Colton fault and the Central Avenue fault. As discussed in Section 6, the faults which border the Chino Basin include the Rialto-Colton fault, the Chino fault, the San Jose fault, and the Cucamonga fault.

Figure 8-1- Location of Earthquake Faults

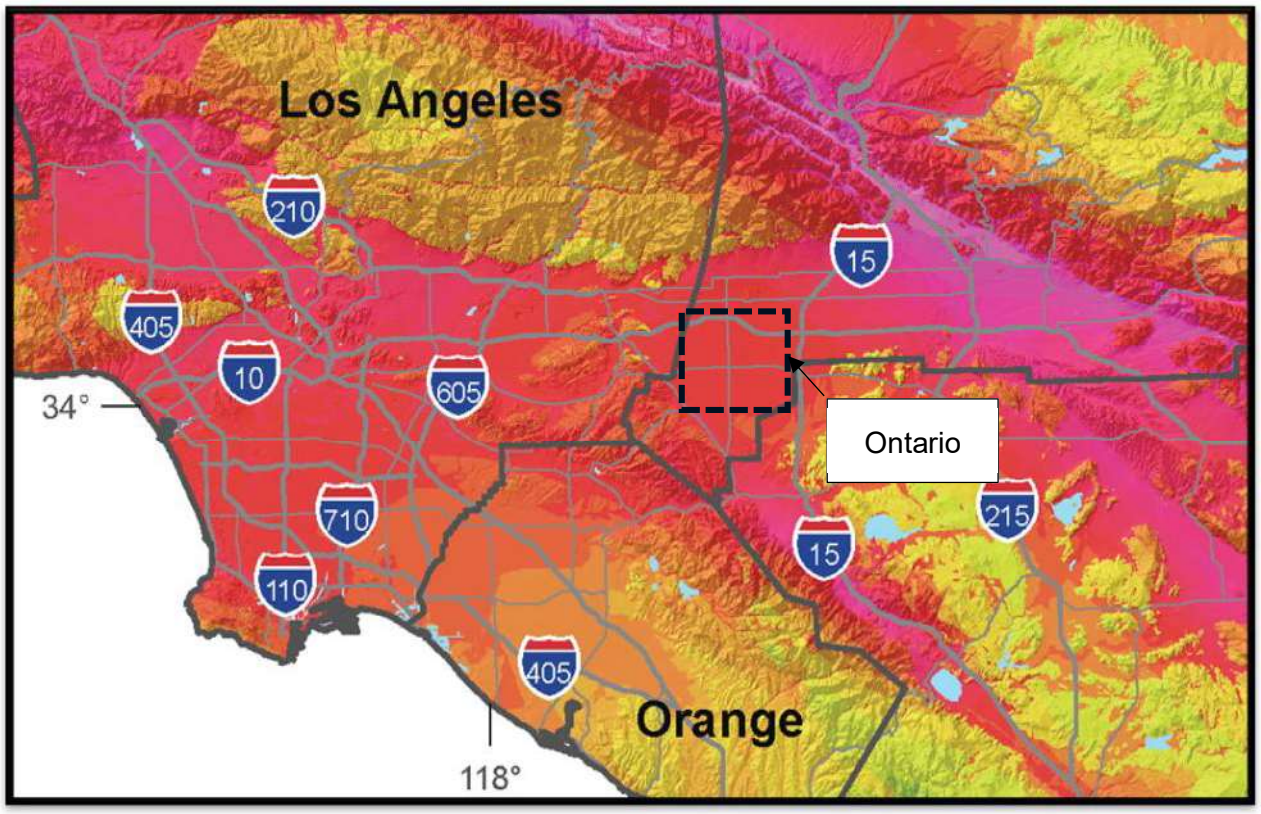


Source: (California Geological Survey, 2026)

The following Figure 8-2 provides the relative intensity of ground shaking in the vicinity of the City's service area from anticipated future earthquakes. The locations of relatively long-period

(1.0 second) earthquake shaking, including the City's service area, are provided. Long-period shaking affects tall, relatively flexible buildings, but also correlates with earthquake damage. The shaking potential is calculated based on the level of ground motion that has a 2 percent chance of being exceeded in 50 years (or the level of ground-shaking with an approximate 2,500-year average repeat time). As discussed in Section 8.6.5, the City has prepared an ERP which provides the management, procedures, and designated actions the City and its employees will implement during emergency situations resulting from natural disasters, including during earthquakes, to ensure that customers receive a reliable and adequate supply of potable water. The City's ERP is incorporated by reference.

Figure 8-2- Earthquake Shaking Potential



Source: (California Geological Survey and USGS, 2016)

8.6.7 Shortage Response Action Effectiveness

The effectiveness of the shortage response actions for each of the standard water shortage levels identified in Section 8.5, is evident in the City's historical ability to meet its customer's water demands in response to a water supply shortage. In addition, the City imposes water consumption regulations and restrictions, and supports local agencies in efforts to enforce regulations and prohibitions on water use. The effectiveness of each of the City's shortage response actions, in order to reduce any potential gaps between supply and demand, has been quantified in the expected demand reduction provided in Table 8-2.

Section 6 provides a tabulation of the City's historical annual water demands for each water supply source. During the past 15 years, the City experienced a five-year consecutive drought within its service area from FY 2011-12 to FY 2015-16. Throughout this extended dry year period, the City's annual water production ranged from 36,036 AF to 45,196 AF, with an average of approximately 41,558 AF. In addition, historical records indicate the City previously produced a maximum of up to 45,196 AF during FY 2013-14. The City has been able to provide sufficient water supplies to its customers, including during long-term droughts and years with historically high water demands. In addition, the City has been able to provide water service to meet maximum day water demands for these years, including during the summer months.

The City's water demands during the most recent five years (from FY 2020-21 to FY 2024-25) averaged approximately 31,743 AFY. Due to conservation efforts and DMMs (discussed in Section 9), the City's recent water demands have been less than its historical water demands, including during long-term droughts. The City's projected water demands (during normal, single dry, and multiple dry years) are provided in Section 7 and are anticipated to incorporate similar reductions in water use rates as a result of the shortage response actions, ongoing conservation efforts, and DMMs. Because the City's projected water rates are similar to its historical water use rates, it is anticipated the City will be able to continue providing sufficient water supplies to its customers to meet projected water demands, including during long-term droughts. In addition, based on historical and on-going management practices, the City will be able to continue relying on its water supply source from the Chino Basin for adequate supply augmentation in response to each of the standard water shortage levels identified in Section 8.5.

Based on the City's demonstrated ability to meet water demands during past water supply shortages, the adopted water shortage levels, the adjusted operating safe yields, and water supplies during long-term droughts, it is anticipated that the City will be able to provide sufficient water supplies to its customers during each of its standard water shortage levels. Although adequate supplies are anticipated, the cost of those water supplies may become incrementally more expensive. The City will enact varying stages of its WSCP to encourage retail customers to reduce water consumption and at the same time reduce the need to use the more expensive water supplies. Notwithstanding, the effectiveness of each of the City's shortage response actions, in order to reduce any potential gaps between supply and demand, has been quantified in the expected demand reduction section provided in Table 8-2. The effectiveness of the City's shortage response actions is based on the City's water demands prior to 2015 (unconstrained demands). The City reduced its water demands in 2015 in response to the Governor's April 1, 2015 Executive Order B-29-15 which mandated statewide reduction in water use of 25 percent. The City's actual water demand reduction during this period was used to estimate the extent of water use reductions for the City's Water Shortage Stages. The City's Water Shortage Stages 1, 2, 3, 4, 5, and 6 are expected to reduce water demands by up to 10%, 20%, 30%, 40%, 50%, and greater than 50%, respectively.

8.7 Communication Protocols

Upon finding that a need to implement a Stage 1 through Stage 6 Water Supply Shortage exists, the City Council will order implementation of the appropriate water shortage response action, or other measures which it deems appropriate to address the water shortage. This order shall be made by Resolution and will be published in a daily newspaper of general circulation and will become effective immediately following publication. The appropriate regulations that fall under the Stage Level declared will take effect with the first full billing period commencing on or after the effective date of the City Council's Resolution.

In the event of an immediate emergency that causes an unplanned interruption of water supply, the City Manager or his/her designee is authorized to restrict water use and apportion the available supply of water among its customers in the most equitable manner possible to continue service fairly and without discrimination, except that preference shall be given to such service as is essential to the public interest and to the preservation of life and health.

8.8 Compliance and Enforcement

The City's WSCP includes fines and penalties that may be imposed on any customer who fails to comply with the prohibitions and restrictions of each water supply shortage stage. All fines and penalties may apply to each of the prohibitions and restrictions of each water supply shortage stage. If a customer is found to be in violation of any water supply shortage stage provision, fines begin with a written notice and subsequent violations include fines of $100, $200, and $500.

8.9 Legal Authorities

The City has the legal authority to implement and enforce its WSCP. California Constitution article X, section 2 and CWC section 100 provide that water must be put to beneficial use, the waste or unreasonable use or unreasonable method of use of water shall be prevented, and the conservation of water is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and the public welfare. In addition, CWC Section 375 provides the City with the statutory authority to adopt and enforce water conservation restrictions, and CWC Section 350 et seq. authorizes the City to declare a water shortage emergency and impose water conservation measures when it determines that the City may not be able to satisfy ordinary demands without depleting supplies to an insufficient level. If necessary, the City shall declare a water shortage emergency in according with CWC Chapter 3 (commencing with Section 350) of Division 1. Once having declared a water shortage, the City is provided with broad powers to implement and enforce regulations and restrictions for managing a water shortage.

Pursuant to these authorities, the City adopted Ordinance No. 3027. Under the City's Ordinance No. 3027, a water shortage, including a water shortage emergency but excluding an immediate emergency, shall be declared by the adoption of a resolution of the City Council, in accordance

with CWC section 350. The City Council may declare a water shortage based on a determination by the MWD and the IEUA of a water shortage, the declaration of an executive order of the Governor or the adoption of voluntary or mandatory water use restrictions by any State Agency governing the use of water or based upon any interruption in water supply or delivery that the City Council determines in its sole discretion necessitates water conservation pursuant to this chapter.

Under California law, including CWC Chapters 3.3 and 3.5 of Division 1, Parts 2.55 and 2.6 of Division 6, Division 13, and Article X, Section 2 of the California Constitution, the City is authorized to implement the water shortage actions outlined in this WSCP and in the City's Ordinance No. 3027. In water shortage cases, shortage response actions to be implemented will be at the discretion of the City and will be based on an assessment of the supply shortage, customer response, and need for demand reductions as outlined in this WSCP and the City's Ordinance No. 3027.

It is noted that upon proclamation by the Governor of a state of emergency under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions, the state will defer to implementation of locally adopted WSCPs to the extent practicable.

The City will coordinate with the County and any other entities as necessary for possible proclamation of a local emergency as necessary under California Government Code, California Emergency Services Act (Article 2, Section 8558).

In the event of an immediate emergency that causes an unplanned interruption of water supply, the City Manager or his/her designee is authorized to restrict water use and apportion the available supply of water among its customers in the most equitable manner possible to continue service fairly and without discrimination, except that preference will be given to such service as is essential to the public interest and to the preservation of life and health.

At any time during Stage 1, 2, 3, 4, 5, or 6, if the City Council determines that additional reductions in the amount the potable water being used by water customers are necessary, it may adopt a resolution establishing water use limitations and enforce those water use limitations by the adoption and imposition of a volumetric penalty established therein.

8.10 Financial Consequences of WSCP

Potential revenue reductions and expense increases associated with activated shortage response actions are regulated and tracked by the City's financial department.

During periods of water supply shortages, state-mandated water use restrictions, or emergency conditions, the City may require its customers to reduce demands below levels projected under the current water rate structure. Under any of these circumstances, the City may experience a decrease in revenues. In order to offset any decline in revenues, the City Council may adopt resolutions to make additional adjustments to the water rates based on the City's increased costs to provide water to its customers.

Projected demands, water supply reductions, water rates and cost of water cannot be known with certainty. However, even under a hypothetical scenario whereby sales are gradually reduced by up to 50 percent, certain actions are known as noted below:

Water supplies:

- CDA supplies will not be impacted from a quantity or cost standpoint.
- As demands/sales are reduced, the City will rely on its least expensive sources of supply first and sequentially reduce the most expensive sources of water supply (i.e. imported water). This action will address much of the gap between reduced revenue from water sales and the cost of the water supplies.
- As sales are reduced, distribution system losses will also be reduced on a proportional basis resulting in savings by not having to provide as much water.

Revenue from water sales:

- Revenue from the monthly standby charge to each retail customer will remain constant regardless of the volume of water sold.

The City will regularly track the impacts of potentially reduced water sales on revenue and compare it to the cost of operations. In the event that the City's revenues and expenditures are severely affected by a water shortage, the following measures could be taken by the City to alleviate the financial impacts before there has been a significant draw on financial reserves:

- Rate Adjustment
- Decrease in Capital Expenditure
- Decrease in O&M Expenditure

Rate increases are not viewed positively by the customers particularly when they reduce consumption. Negative consequences that could arise from the cost-cutting actions include dissatisfaction of the customers, reduced funding for Capital Improvement Projects and system maintenance, and reduced staff availability for emergency response. Nonetheless, these tools are available to the City in a worst-case scenario to ensure a constant balance between revenue and expenses.

8.11 Monitoring and Reporting

The City regularly monitors water supply and consumption throughout the service area, including annual Distribution System Water Audits to monitor real and apparent losses, ensuring customer compliance with the provisions in the WSCP. During water supply shortages, City staff will monitor overall water consumption on a monthly basis based off of the City's metering and accounting system. Losses are monitored by comparing water production to sales. City staff regularly monitor the system and repairs leaks in a timely manner. Rates of consumption will be assessed in comparison with "normal" unrestricted water use rates based on historical consumption during non-shortage periods. In the event system-wide monitoring indicates water use reduction targets are not met, City staff may perform a more detailed review and comparison against normal water use rates for specific water use categories. Outcomes of the

categorical review may include additional targeted outreach/communication to categories that have not achieved the appropriate reduction and/or identification of specific meters/users for additional records review.

8.12 WSCP Refinement Procedures

The City's WSCP has been prepared as an adaptive management plan. As discussed in Section 8.11, the City will monitor and report on the implementation of the WSCP. The City will review the implementation results for any current or potential shortage gaps between water supplies and demands. The City will evaluate the need for revising the WSCP in order to resolve any shortage gaps, as necessary. The City will consider the following potential revisions in the event of a potential shortage gap:

- Implementation of additional public outreach, education, and communication programs (in addition to the programs discussed in Section 9).
- Implementation of more stringent water use restrictions under the standard water shortage levels (discussed in Section 8.5).
- Implementation of stricter enforcement actions and penalties (discussed in Section 8.8).
- Improvements to the water supply augmentation responses (discussed in Section 8.6.2), as well as any associated operational changes (discussed in Section 8.6.3) which may be required.
- Incorporation of additional actions recommended by City staff or other interested parties.

The City will use the monitoring and reporting data to evaluate the ability for these potential revisions to resolve any shortage gaps which may occur within the standard water shortage levels.

The WSCP is adopted as part of the City's 2025 UWMP adoption process discussed in Section 10. It is anticipated the City will review, revise, and adopt an updated WSCP as part of preparing its 2025 UWMP as necessary. However, the City will continue to review the monitoring and reporting data, and if needed, update the WSCP more frequently. Any updates to the City's WSCP will include a public hearing and adoption process by the City Council (see Section 8.14).

8.13 Special Water Feature Distinction

The City's WSCP defines "decorative water features" as water features which are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, but excluding pools and spas. In general, there are additional health and safety considerations in the water supplied to pools and spas compared to decorative water features. As a result, the City's WSCP has reviewed the response actions, enforcement actions, and monitoring and reporting programs separately for decorative water features and for pools and spas, as applicable.

As described in Section 8.6.1, under a Stage 1 Water Supply Shortage Level, no water shall be used to clean, fill or maintain levels in decorative fountains, ponds, lakes or other similar aesthetic structures unless such water is part of a recycling system.

8.14 Plan Adoption, Submittal, and Availability

The City's WSCP is adopted as part of the City's 2025 UWMP adoption process discussed in Section 10. The process for adopting the City's WSCP includes the following:

- The City will conduct a public hearing and make the WSCP available for public inspection.
- The City will provide notification of the time and place of the public hearing to any city or county in which water is provided.
- The City will publish notice of public hearing in a newspaper once a week, for two successive weeks (with at least five days between publication dates).
- The City Council will adopt the 2025 UWMP and the WSCP.
- As part of submitting the 2025 UWMP to DWR, the City will also submit the WSCP (electronically through DWR's online submittal tool) within 30 days of adoption and by July 1, 2026. The City will submit a copy of the WSCP to the California State Library and to any city or county in which water is provided within 30 days of adoption. In addition, the City will make the WSCP available for public review within 30 days of adoption.

If there are any subsequent amendments required, the process for adopting an amended WSCP includes the following:

- The City will conduct a public hearing and make the amended WSCP available for public inspection via public City Council agendas.
- The City Council will adopt the amended WSCP.
- The City will submit the amended WSCP to DWR (electronically through DWR's online submittal tool) within 30 days of adoption.

Additional information regarding the adoption, submittal, and availability of the City's WSCP (and 2025 UWMP) is provided in Section 10.

9 Demand Management Measures

This section describes the City's efforts to promote WUE, reduce demand on the water supply, and prepare for future requirements through implementation of DMMs.

IN THIS SECTION

- Existing Demand Management
- Reporting Implementation
- Water Use Objectives

9.1 Introduction

This section describes the DMMs that the City has implemented for the past five years, current initiatives, and future plans to meet State efficiency standards from DWR. The City coordinates and partners with IEUA and CBWCD regional programs, and participates in MWD's regional rebate program, the SoCal Water$mart Program. There are rebates available for the purchase of high-efficiency clothes washing (HECW) machines, premium high-efficiency toilets (PHET), weather-based irrigation controllers (Smart Controllers), rain barrels, rain cistern, and turf removal to promote water conservation. The City provides information about these programs to customers on its website.

The City is also a member of the Water Education/Water Awareness Committee (WEWAC) whose mission is to promote efficient water use and increase public awareness of the importance of water in Southern California. WEWAC offers grants for teachers who complete water conservation related projects, a scholarship contest for high school students and a media contest open to multiple grade levels.

9.2 Existing Demand Management Measures for Retailers

CWC dictates that the DMM's in Table 9-1 are addressed in this chapter.

Table 9-1- Demand Management Measures

Measure	
1	Water Waste prevention Ordinances
2	Metering
3	Conservation Pricing
4	Public Education and Outreach
5	Programs to access and manage distribution system real loss
6	Water conservation program coordination and staffing support
7	Other demand management measures

9.2.1 Water Waste Prevention Ordinances

Waste is defined as any excessive, unnecessary or unwarranted use of water, including but not limited to any use which causes unnecessary runoff beyond the boundaries of any property as served by its meter and any failure to repair as soon as reasonably possible any leak or rupture in any water pipes, faucets, valves, plumbing fixtures or other water service appliances. The City adopted Ordinance No. 3027 in October 2015 and Ordinance 3196, effective December 7, 2021, to establish water conservation measures, staged water supply shortage DMMs, and prevent water waste. To comply with requirements set forth by Assembly Bill 1572, the City will update Municipal ordinance language to include banning the use of potable water on nonfunctional turf located at Commercial, Industrial, and Institutional (CII) properties.

The voluntary conservation stage of "The Water Conservation Plan of the City of Ontario" includes the following actions:

> (a) All persons are encouraged to voluntarily limit the amount of water used to the amount absolutely necessary for health and safety, business operations, and irrigation. Except as otherwise provided in this chapter where a declared water shortage stage or water shortage emergency requires mandatory or other more stringent requirements, the following elements of conservation apply at all times on a voluntary basis by all persons within the City:
>
> (1) Avoid hose washing of sidewalks, walkways, driveways, parking areas or other paved surfaces, except as required for sanitary purposes. If a person uses a hand-held hose to wash any sidewalk, walkway, driveway, parking area or other paved surface, the hose shall be equipped with a positive shutoff nozzle.
>
> (2) Wash motor vehicles, trailers, boats and other types of mobile equipment using a hand held bucket or a hose equipped with a positive shutoff nozzle for quick rinses, or at the immediate premises of a commercial car wash or with recycled wastewater for approved uses.
>
> (3) Avoid using water to clean, fill or maintain levels in decorative fountains, ponds, lakes or other similar aesthetic structures unless such water is part of a recycling system.
>
> (4) Encourage restaurants, hotels, cafés, cafeterias or other public places where food is sold, served or offered for sale, to serve drinking water only to those customers expressly requesting water.
>
> (5) Promptly repair all leaks from indoor and outdoor plumbing fixtures.
>
> (6) Avoid watering lawn, landscape or other turf areas between 6:00 a.m. and 6:00 p.m.
>
> (7) Avoid causing or allowing the water to run off landscape areas into adjoining streets, sidewalks or other paved areas due to incorrectly directed or maintained sprinklers or excessive watering.

9.2.2 Metering

The City meters all customer connections, including separate metering for single-family residential, commercial, industrial, large landscape and institutional/governmental facilities. Furthermore, if there is new development within the City, each facility is individually metered.

9.2.3 Conservation Pricing

The City implemented new water rates on November 1, 2025. Water service is billed monthly, including a monthly fixed "Readiness to Serve Charge" and a variable "Commodity Charge." For SFR Potable customers, the Commodity Charge consists of three tiers, which imposes higher rates per unit of water as the level of consumption increases. The water rates have been developed to fund the cost of water and are related to the overall cost of water service.

9.2.4 Public Education and Outreach

The City developed a public information program to educate the public to the benefits of water conservation. The program involves the dissemination of information through literature provided at City Hall and other City facilities, and articles in the City newsletter. The City includes informational flyers with the water bills periodically to address water conservation and other important matters. The City periodically holds public seminars and workshops with other local agencies to promote water conservation. The City also provides water conservation information and updates on its website. Through IEUA's Regional WUE Program, member agencies, including the City, are encouraged to adopt approaches and technologies to encourage customers to increase water efficiency.

- Water conservation staff attended City events and educated the public about water conservation programs.
- Utility newsletters and drought updates were sent out to all customers.
- Utility bill inserts and messaging were used for outreach efforts.
- Water conservation workshops were conducted to educate customers about drought tolerant plants and landscape design.
- Conservation staff visited school classrooms to educate students about water conservation.
- Social media messaging has continuously been used to notify the public about water conservation programs.

Many education and public outreach programs adapted to online alternatives during FY 2020/21 and 2021/22 due to COVID-19. During that time IEUA developed multiple virtual alternatives including Wally's Water Conservation Camp, a 20-day, digital at-home activity guide, a series of At-Home Activities taken from the Water Discovery Field Trip, Program, Owlie's Virtual Adventures - a series of free, online resources, and a Virtual Earth Week. A summary of total IEUA program participation, not limited to the City, is provided in Table 9-2.

Table 9-2- IEUA Public Education and Outreach Programs

Program	2021	2022	2023	2024	2025
Water-saving technologies/ services	Owlie's Virtual Adventures	4,595	11,221	19,360	15,250
Discover the Environment and Water (DEW) Field Trip	Owlie's Virtual Adventures	Owlie's Virtual Adventures	1,946	2,350	2,086
Water Scout Badge Program				51	60
Annual Earth Day – Student Day (includes K-5 students, chaperones, and educators)	Virtual due to COVID-19	Virtual due to COVID-19	700	1,107	1100
Annual Earth Day (includes community members, scout troops, and after-school program participants)	Virtual due to COVID-19	Virtual due to COVID-19	1000	964	860
Virtual Earth Week	5,000 page views / 500 students	8,100 page views / 450 students			
Owlie's Virtual Adventures	1,000 students	1,500 students			
Water is Life Annual Poster Contest entries				800	522
Water Engineering 4 Good (WE4G) (previously Solar Cup) participants	Chino Hills High School	Chino Hills, Colony High School, Upland High School	Chino Hills High School, Upland High School		Vina Danks Middle School
National Theatre for Children (NTC)					
School assembly performances	16 virtual	14 live stream performances	69	71	59
Schools	38	52	37	37	36
Students	18,051	20,527	14,893	14,373	10,690
Teachers	823		567	577	542
Source: (Inland Empire Utilities Agency, 2025) **Note:** IEUA Programs are not limited to Ontario. The data reported here are inclusive of all IEUA programs for this period.					

9.2.5 Programs to Assess and Manage Distribution System Real Losses

Water loss control efforts are a main component of the water system operations. Pipeline leaks and breaks are repaired as soon as possible to minimize water loss. The City monitors distribution system water loss by preparing an annual AWWA Water Audit to estimate real and apparent losses as described in Section 4.2.3. In 2025, the City signed a five-year contract for zero-discharge flushing (ZDF) services. The process claims that by eliminating traditional flushing volumes, Ontario will reduce non-revenue water by an estimated 15 to 20 acre-feet per year (Hydrologics, Inc., 2025).

As a part of normal operation and maintenance of the water system, City staff does preventive maintenance. This includes regular checks on valves and meters, and pipeline maintenance. If

leaks are encountered or suspected during routine inspection of the system, further evaluation is conducted. If leaks are found, they are repaired.

9.2.6 Water Conservation Program Coordination and Staffing Support

Various City departments are involved in the water conservation program. These include maintenance and operations personnel, the Utilities General Manager, the Public Works Director, and administrative staff who answer billing and usage questions and serve at the front counter at City Hall. In addition, the City employs a full time Water Resources Coordinator to oversee all water conservation activities. The Water Resources Coordinator is responsible for all matters pertaining to the City's water conservation program including implementation of DMMs.

9.2.7 Other Demand Management Measures

Information and applications on the following programs are listed on the City's website.

- CBWCD Landscape Evaluation Audit Program: Provides an irrigation audit to Ontario residents and businesses at no cost.
- Residential Irrigation System Enhancement Program (RISE): includes basic irrigation repairs and the direct installation of smart controllers to help make irrigation systems more efficient.
- Water Softener Rebate Program: through IEUA customers may receive a rebate to remove self-regenerating water softeners.
- Turf Replacement Program: provides a rebate to Ontario residents and businesses for replacing turf with drought tolerant plants.
- Rebate Programs: provides rebates to Ontario residents and businesses for water efficient devices.

9.3 Reporting Implementation

9.3.1 Implementation over the Past Five Years

The City is committed to implementing water conservation programs. The highlights of DMM implementation over the past five years are summarized in Table 9-3.

Table 9-3- City of Ontario Program Participation FY 21-25

SoCal Water$mart Residential Rebates	2021	2022	2023	2024	2025	Total
High Efficiency Toilets (HET)	17	8	245	154	74	498
High Efficiency Clothes Washers (HECW)	203	193	159	182	69	806
Rotating Nozzles for Pop-up Spray Heads	30		29			78
Weather based Irrigation Controllers (WBIC	43	19	82	86	28	239
Weather based Irrigation Controllers for Large Landscapes				2 (1 station)		2
Irrigation Controller + Add on			2			2
Hose Bib Controller	1					1
Turf Replacement (sq. ft.)	18,213	10,408	26,527	38,266	13,112	106,526
Rain Barrels	2		8	8		18
Low-flow Showerheads			111	1,758	1,082	2,951
Faucet Aerators			157	788	601	1,546
IEUA Locally Implemented Residential Programs	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
Landscape Tune-Up Program	210	287	154	163	131	945
Nozzles			1,010	1,003	821	2,834
Residential Landscape Retrofit Program	15	14				29
WBIC	21	20				41
Nozzles	186	32				218
Large Landscape Retrofit Program			16	12	4	32
WBIC			19	15	5	39
Nozzles				16		16
Small Site Controller Upgrade Program			99	96	81	276
WBIC			108	109	100	317
Res. Education, Survey, and Controller Upgrade Program	138	148				286
WBIC	157	173				330
Residential Pressure Regulation Program	21	10				31

SoCal Water$mart Commercial Rebates	2021	2022	2023	2024	2025	Total
High Efficiency Toilets (HET)				205		205
Irrigation Controller + Add on						
Cooling Tower Controller			6			6
Weather Based Irrigation Controllers (WBIC) for large landscapes			5		1	6
Stations			112		8	120
Central Computerized Irrigation Controller				7		7
Stations				163		163
Laminar Flow Restrictor	66					66
Turf Replacement (sq. ft.)	213,618	24,041	42,535	170,371	248,508	699,073
Plumbing Flow Control	10					10
Additional Water Use Efficiency Programming	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
CBWCD Landscape Evaluation Audit Program		10	16	7	8	41
Source: (Inland Empire Utilities Agency, 2025)						

9.3.2 Implementation to Achieve Water Use Targets

As discussed in Section 5, Ontario met its SBX7-7 2020 target. Most recently, in 2025, the water use was 158 GPCD, which is well below the 2020 target of 196 GPCD.

WUE standards from the MCCWL Regulation supersede SBX7-7 standards. Water agencies, including the City, have been reporting on compliance since 2024. Continued implementation of these DMMs will assist the City in meeting future water use targets and objectives. The City will continue to implement these DMMs and other water conservation programs and work collaboratively with IEUA and MWD to provide water conservation programs for its residents.

10 Plan Adoption, Submittal, and Implementation

This section describes the steps taken to make the UWMP publicly available as well as adopt and submit the UWMP in accordance with the CWC.

IN THIS SECTION

- Completed Steps for UWMP and WSCP

10.1 Completed Steps for UWMP and WSCP

As discussed in Section 2.3, Ontario coordinated the preparation of the 2025 UWMP with the following agencies:

- City of Montclair
- City of Jurupa Valley
- City of Fontana
- City of Eastvale
- City of Chino
- City of Chino Hills
- City of Upland
- City of Rancho Cucamonga
- City of Pomona
- County of San Bernardino
- Chino Basin Desalter Authority
- Chino Basin Watermaster
- Cucamonga Valley Water District
- Fontana Water Company
- Inland Empire Utilities Agency
- Jurupa Community Services District
- Metropolitan Water District
- Monte Vista Water District
- San Antonio Water Company
- Santa Ana Watershed Project Authority
- Water Facilities Authority

Ontario notified these agencies, as well as the cities and county within which Ontario provides water supplies, at least sixty (60) days prior to the public hearing of the preparation of the 2025 UWMP and WSCP and invited them to participate in the development of the UWMP and WSCP. A copy of the notification letters sent to these agencies is provided in Appendix E.

The UWMP and WSCP were made available for public review in May/June 2026 and a public hearing was held on June 2, 2026 to receive public input on the draft documents.

Ontario's City Council adopted the 2025 UWMP and the WSCP at a public meeting on June 2, 2026. The resolution of adoption is included as Appendix D.

This UWMP and WSCP were submitted to DWR through the WUEdata portal before the deadline of July 1, 2026. This UWMP and WSCP are available to the public on the Ontario website.

If Ontario identifies the need to amend this UWMP or WSCP, it will follow the same procedures used previously for notification to cities, counties, and the public and for initial adoption.

10.2 Plan Submittal

Ontario's City Council adopted the 2025 UWMP on June 2, 2026 and within 30 days, Ontario submitted the adopted 2025 UWMP (including the WSCP) to DWR. The 2025 UWMP and WSCP were submitted through DWR's "Water Use Efficiency (WUE) Data Portal" website.

DWR developed a checklist which was used by Ontario to assist DWR with its determination that Ontario's 2025 UWMP has addressed the requirements of the CWC. Ontario has completed the DWR checklist by indicating where the required CWC elements can be found within Ontario's 2025 UWMP (See Appendix I).

Within 30 days of adoption of the 2025 UWMP, including the WSCP, Ontario submitted copies of the adopted UWMP to the San Bernardino County Assessor-Recorder/Clerk's Office, and California State Library in accordance with CWC requirements.

10.3 Public Availability

Within 30 days after submittal of the 2025 UWMP to DWR, Ontario made the 2025 UWMP (including the WSCP) available at Ontario's main office during normal business hours and on Ontario's website.

10.4 Amending an Adopted UWMP or WSCP

If Ontario amends the adopted 2025 UWMP (and/or the WSCP), the amended UWMP or WSCP will undergo adoption by Ontario's City Council. Within 30 days of adoption, the amended UWMP will then be submitted to DWR, the State of California Library, and the County of San Bernardino's Assessor - Recorder/ Clerk's office.

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Appendix A DWR Tables

A

Placeholder to be updated when documents are available after adoption.

Appendix B Delta Plan

B

Regional Self-Reliance Consistency Statement

Ontario's contributions to reduced reliance on the Sacramento–San Joaquin Delta and improved regional water self-reliance are reflected in the regional analysis prepared by the IEUA, presented in Appendix C of IEUA's 2025 UWMP. That analysis evaluates the collective investments and actions of IEUA and its customer agencies, including Ontario, and documents measurable progress toward increased regional self-reliance and reduced dependence on Delta supplies at the regional scale.

Consistent with DWR guidance, regional coordination and reliance on wholesale and regional planning documents are appropriate where data are developed at a broader service area or where individual supplier contributions cannot be discretely quantified. Due to the integrated nature of regional water supply systems and the infeasibility of attributing Delta reliance reductions at the individual retail agency level, IEUA's regional analysis provides the appropriate basis for demonstrating consistency with Delta Plan Policy WR P1.

Accordingly, Ontario incorporates the IEUA regional reduced reliance analysis by reference into this UWMP. Ontario's implementation of locally cost-effective and technically feasible demand management measures and supply programs, as described in this UWMP, contributes to the regional outcomes documented by IEUA and supports ongoing progress toward improved regional self-reliance and reduced reliance on Delta supplies.

Appendix C Public Hearing Notices

C

Placeholder to be updated when documents are available after adoption.

Appendix D Adoption Resolution

D

Placeholder to be updated when documents are available after adoption.

Appendix E 60 Day Notification Letters

E

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

March 19, 2026

Edward C. Starr
City Manager
City of Montclair
5111 Benito Street
Montclair, CA 91763

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Edward Starr,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

Water Code Section 10621(b) requires an urban water supplier reviewing and considering amendments or changes to its UWMP to notify cities and counties within its service area of the update at least sixty (60) days prior to holding a public hearing. This letter serves as the City of Ontario's notice that it is preparing and updating its 2025 UWMP and WSCP and is part of the City of Ontario's efforts under Water Code Section 10642 to encourage public involvement in the UWMP and WSCP.

A copy of the City of Ontario's draft UWMP and WSCP will be available for review prior to the public hearing and adoption meeting at the City of Ontario's office located at 1425 S Bon View Avenue, Ontario, CA 91761 and online at https://www.ontarioca.gov/government/municipal-utilities-company/water-quality. The City of Ontario will subsequently hold a public hearing on the 2025 UWMP and WSCP anticipated to occur as follows:

Date: **Tuesday, June 2, 2026**
Time: 6:30 P.M.
Location: Ontario City Hall – Council Chambers, 303 East B Street, Ontario, CA 91764

The City of Ontario invites you to submit comments regarding its UWMP and WSCP. If you have any questions or input regarding these documents, please contact Chad Nishida at (909) 395-2695 (cnishida@ontarioca.gov) or Linda Tsoi (909) 395-2940 (ltsoi@ontarioca.gov).

Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

CITY OF ONTARIO
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CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Rod Butler
City Manager
City of Jurupa Valley
8930 Limonite Avenue
Jurupa Valley, CA 92509

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Rod Butler,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

Water Code Section 10621(b) requires an urban water supplier reviewing and considering amendments or changes to its UWMP to notify cities and counties within its service area of the update at least sixty (60) days prior to holding a public hearing. This letter serves as the City of Ontario's notice that it is preparing and updating its 2025 UWMP and WSCP and is part of the City of Ontario's efforts under Water Code Section 10642 to encourage public involvement in the UWMP and WSCP.

A copy of the City of Ontario's draft UWMP and WSCP will be available for review prior to the public hearing and adoption meeting at the City of Ontario's office located at 1425 S Bon View Avenue, Ontario, CA 91761 and online at https://www.ontarioca.gov/government/municipal-utilities-company/water-quality. The City of Ontario will subsequently hold a public hearing on the 2025 UWMP and WSCP anticipated to occur as follows:

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Matthew Ballantyne
City Manager
City of Fontana
8353 Sierra Avenue
Fontana, CA 92335

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Matthew Ballantyne,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

Water Code Section 10621(b) requires an urban water supplier reviewing and considering amendments or changes to its UWMP to notify cities and counties within its service area of the update at least sixty (60) days prior to holding a public hearing. This letter serves as the City of Ontario's notice that it is preparing and updating its 2025 UWMP and WSCP and is part of the City of Ontario's efforts under Water Code Section 10642 to encourage public involvement in the UWMP and WSCP.

A copy of the City of Ontario's draft UWMP and WSCP will be available for review prior to the public hearing and adoption meeting at the City of Ontario's office located at 1425 S Bon View Avenue, Ontario, CA 91761 and online at https://www.ontarioca.gov/government/municipal-utilities-company/water-quality. The City of Ontario will subsequently hold a public hearing on the 2025 UWMP and WSCP anticipated to occur as follows:

Date: **Tuesday, May 19, 2026**
Time: 6:30 P.M.
Location: Ontario City Hall – Council Chambers, 303 East B Street, Ontario, CA 91764

The City of Ontario invites you to submit comments regarding its UWMP and WSCP. If you have any questions or input regarding these documents, please contact Chad Nishida at (909) 395-2695 (cnishida@ontarioca.gov) or Linda Tsoi (909) 395-2940 (ltsoi@ontarioca.gov).

Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Mark Orme
City Manager
City of Eastvale
12363 Limonite Avenue, Suite 910
Eastvale, CA 91752

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Mark Orme,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Date: **Tuesday, June 2, 2026**
Time: 6:30 P.M.
Location: Ontario City Hall – Council Chambers, 303 East B Street, Ontario, CA 91764

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

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COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Linda Reich
City Manager
City of Chino
13220 Central Avenue
Chino, CA 91710

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Linda Reich,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Benjamin Montgomery
City Manager
City of Chino Hills
14000 City Center Drive
Chino Hills, CA 91709

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Benjamin Montgomery,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Thomas O'Neill
General Manager/CEO
Chino Basin Desalter Authority
3550 E. Philadelphia Street, Suite 170
Ontario, CA 91761

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Thomas O'Neill,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Todd Corbin
General Manager
Chino Basin Watermaster
9461 San Bernardino Road
Rancho Cucamonga, CA 91730

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Todd Corbin,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

John Bosler
General Manager
Cucamonga Valley Water District
10440 Ashford Street
Rancho Cucamonga, CA 91730

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear John Bosler,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Luther Snoke
Chief Executive Officer
County of San Bernardino
385 N. Arrowhead Avenue
San Bernardino, CA 92415

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Luther Snoke,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Michael Blay
City Manager
City of Upland
460 North Euclid Avenue
Upland, CA 91786

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Michael Blay,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Elisa C. Cox
City Manager
City of Rancho Cucamonga
10500 Civic Center Drive
Rancho Cucamonga, CA 91730

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Elisa Cox,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Anita D. Scott
City Manager
City of Pomona
505 South Garey Avenue
Pomona, CA 91766

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Anita Scott,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Josh Swift
General Manager
Fontana Water Company
15966 Arrow Route
Fontana, CA 92335

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Josh Swift,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Christiana Daisy
Interim General Manager
Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Christiana Daisy,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Date: **Tuesday, June 2, 2026**
Time: 6:30 P.M.
Location: Ontario City Hall – Council Chambers, 303 East B Street, Ontario, CA 91764

The City of Ontario invites you to submit comments regarding its UWMP and WSCP. If you have any questions or input regarding these documents, please contact Chad Nishida at (909) 395-2695 (cnishida@ontarioca.gov) or Linda Tsoi (909) 395-2940 (ltsoi@ontarioca.gov).

Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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

March 19, 2026

Chris Berch
General Manager
Jurupa Community Services District
11201 Harrel Street
Jurupa Valley, CA 91752

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Chris Berch,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

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CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Shivaji Deshmukh
General Manager
Metropolitan Water District
P.O. Box 54153
Los Angeles, CA 90054

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Shivaji Deshmukh,

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Justin Scott-Coe
General Manager
Monte Vista Water District
10575 Central Avenue
Montclair, CA 91763

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Justin Scott-Coe,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Brian Lee
General Manager
San Antonio Water Company
139 North Euclid Avenue
Upland, CA 91786

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Brian Lee,

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

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JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Karen Williams
General Manager
San Ana Watershed Project Authority
11615 Sterling Avenue
Riverside, CA 92503

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Karen Williams,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

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Assistant General Manager

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CITY TREASURER

SCOTT OCHOA
CITY MANAGER

March 19, 2026

Van Jew
General Manager
Water Facilities Authority
1775 N Benson Avenue
Upland, CA 91784

SUBJECT: NOTICE OF PREPARATION OF CITY OF ONTARIO'S 2025 URBAN WATER MANAGEMENT PLAN

Dear Van Jew,

The City of Ontario is in the process of preparing and updating its 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) in compliance with the Urban Water Management Planning Act. An update of the City of Ontario's UWMP is required every five (5) years. This plan serves as a foundational planning document that guides long term supply reliability, conservation strategies, and climate resilience for our region.

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Sincerely,

Courtney Jones

Courtney Jones, P.E.
Assistant General Manager

Appendix F Chino Basin Judgement

F

The Chino Basin 1978 Judgement can be found here.

Appendix G City of Ontario 2023 Local Hazard Mitigation Plan

G

The Hazard Mitigation Plan can be found here.

Appendix H San Bernardino County Multi-Jurisdictional Hazard Mitigation Plan

H

The San Bernardino Count 2023 Multi-Hazard Mitigation Plan can be found here.

Appendix I DWR Checklist

Retail (x = required)	Wholesale (x = required)	Order	2025 Guidebook Location	Water Code Section	
x	x	1	Chapter 1	10615	A plan shall describe and management activities.
x	x	1	Chapter 1	10630.5	Each plan shall include a s strategy for meeting need description at the beginni
x	x	2.1	Section 2.1	10620(b)	Every person that become
x	n/a	2.5	Section 2.5	10644	Supplier shall report the P included in this UWMP.
x	x	2.5	Section 2.5	10644	Supplier shall report if this regional alliance.
x	x	2.5	Section 2.5	10644	Supplier shall report whet volumes.
x	x	2.4	Section 2.4	10642	Provide supporting docum economic elements of the contingency plan.
x	x	2.4	Section 2.4.2	10620(d)(3)	Coordinate the preparatio common source, water ma
x	n/a	2.4	Section 2.4.1	10631(h)	Retail Suppliers will includ projections from that sour
n/a	x	2.4	Section 2.4.1	10631(h)	Wholesale Suppliers will p of water available from th
x	x	3	Chapter 3.0	10631(a)	Describe the Supplier serv
x	x	3.3	Section 3.3	10631(a)	Describe the climate of th
x	x	3.4	Section 3.4.1	10631(a)	Provide the current and pr
x	x	3.4	Section 3.4.2	10631(a)	Describe other social, eco
x	x	3.5	Section 3.5	10631(a)	Describe the land uses wit anticipated service area a area.
x	Optional	4.2	Sections 4.2.3 and 4.2.4	10631(d)(1)	Quantify past, current, an
x	Optional	4.3	Section 4.3.1	10631(d)(3)(A)	Report the distribution sys
x	n/a	4.3	Section 4.3.2	10631(d)(3)(C)	Retail Suppliers shall prov
x	n/a	4.2	Section 4.2.5.4	10631.1(a)	Include projected water us
x	n/a	4.2	Section 4.2.5.3	10631(d)(4)(A)	In projected water use, in
x	n/a	4.2	Section 4.2.5.3	10631(d)(4)(B)	Provide citations of codes,
x	n/a	4.2	Section 4.2.5.3	10631(d)(4)(B)(ii)	To the extent that a Supp Indicate the extent that th and land use plans. Water
x	x	4.2	Section 4.2.5.6	10635(b)	Demands under climate ch
n/a	x	5.1	Section 5.1	10608.36	Wholesale Suppliers shall help their Retail Suppliers
x	n/a	5.2	Section 5.2	10608.4	Retail Suppliers shall repor depending on whether the - Was considered an urba - Met its 2020 target in 2 - Was part of a merger or Chapter 5 Subsections 5.2.
x	x	6.1	Section 6.1	10631(b)(2)	When multiple sources of identified supplies.
x	x	6.1	Sections 6.1 and 6.2	10631(b)(1)	Provide a discussion of an as well as more frequent a
x	x	6.2	Section 6.2.2	10631(b)(4)(C)	Indicate whether groundw identified as an existing o and sufficiency of groundw
x	x	6.2	Section 6.2.2	10631(b)(4)(A)	Indicate whether **760** und or if there is any other spe

Retail (x = required)	Wholesale (x = required)	Order	2025 Guidebook Location	Water Code Section	
x	x	6.2	Section 6.2.2	10631(b)(4)(B)	For unadjudicated basins.. achieve sustainable groun
x	x	6.2	Section 6.2.2.	10631(b)(4)(C)	If groundwater is identifie the location, amount and
x	x	6.2	Section 6.2.2	10631(b)(4)(D)	Provide a detailed descrip
x	x	6.1	Section 6.1	10631(b)	Identify and quantify the optionally 2050.
x	x	6.2	Section 6.2.7	10631(c)	Describe the opportunities
x	n/a	6.2	Section 6.2.5	10633(a)	Describe the wastewater collection and treatment a
x	x	6.2	Section 6.2.5	10633(b)	Describe the quantity of t available for use in a recy
x	x	6.2	Section 6.2.5	10633(c)	Describe the recycled wat
x	x	6.2	Section 6.2.5	10633(d)	Describe and quantify the feasibility of those uses.
x	x	6.2	Section 6.2.5	10633(e)	Describe the projected us describe the actual use of
x	x	6.2	Section 6.2.5	10633(f)	Describe the actions that in terms of acre-feet of re
x	x	6.2	Section 6.2.5	10633(g)	Provide a plan for optimiz
x	x	6.2	Section 6.2.6	10631(g)	Describe desalinated wate
x	x	6.2	Section 6.2.10	10631(f)	Describe the expected fut address water supply relia
x	x	6.3	Section 6.3 and Appendix O	10631.2(a)	The UWMP must include e
x		7.1	Section 7.1	10634	Provide information on the quality affects water mana
x	x	7.2	Section 7.2	10635(a)	Service Reliability Assessm consecutive water years b water use over the next 2
x	x	7.2	Section 7.2.3	10620(f)	Describe water managem regions.
x	x	7.3	Section 7.3	10635(b)	Provide a drought risk ass and water supply projects
x	x	7.3	Section 7.3	10635(b)(1)	Include a description of th to conduct a drought risk
x	x	7.3	Section 7.3	10635(b)(2)	Include a determination o
x	x	7.3	Section 7.3	10635(b)(3)	Include a comparison of th the drought period.
x	x	7.3	Section 7.3	10635(b)(4)	Include considerations of climate change conditions
x	x	8	Chapter 8	10632(a)	Provide a water shortage
x	x	8	Chapter 8	10632(a)(1)	Provide an analysis of wat
x	x	8.2	Section 8.2	10632(a)(2)(A)	Provide the written decisio water reliability.
x	x	8.2	Section 8.2	10632(a)(2)(B)	Provide data and methodo to factors in the code.
x	x	8.3	Section 8.3	10632(a)(3)(A)	Define six standard water These levels shall be base changes in surface elevati supply.
x	x	8.3	Section 8.3	10632(a)(3)(B)	Suppliers with an existing six standard categories.
x	x	8.4	Section 8.4	10632(a)(4)(A)	Suppliers with WSCPs tha actions.
x	x	8.4	Section 8.4	10632(a)(4)(B)	Specify locally appropriate

Retail (x = required)	Wholesale (x = required)	Order	2025 Guidebook Location	Water Code Section	
x	x	8.4	Section 8.4.6	10632.5	The UWMP shall include a
x	x	8.5	Section 8.5	10632(a)(5)(A)	Suppliers must describe th shortages.
x	x	8.5	Section 8.5	10632(a)(5)(B), 10632(a)(5)(C)	Suppliers must describe th triggered or anticipated to
x	n/a	8.6	Section 8.6	10632(a)(6)	Retail Supplier must descr
x	x	8.7	Section 8.7	10632(a)(7)(A)	Describe the legal authori
x	x	8.7	Section 8.7	10632(a)(7)(B)	Provide a statement that t *Shortage Emergencies* .
x	x	8.7	Section 8.7	10632(a)(7)(C)	Provide a statement that t possible proclamation of a
x	x	8.8	Section 8.8	10632(a)(8)(A)	Describe the potential rev
x	x	8.8	Section 8.8	10632(a)(8)(B)	Provide a description of m activated shortage respon
x	n/a	8.8	Section 8.8	10632(a)(8)(C)	Retail Suppliers must desc *During Drought* .
x	n/a	8.9	Section 8.9	10632(a)(9)	Retail Suppliers must desc are collected, tracked, and
x	x	8.10	Section 8.10	10632(a)(10)	Describe reevaluation and adequate and appropriate
x	n/a	8.11	Section 8.11	10632(b)	Analyze and define water fountains, separately from
x	x	8.12	Section 8.12	10632(c)	Make available the WSCP the plan.
x	n/a	9.1	Sections 9.1	10631(e)(1)	Retail Suppliers shall prov over the past five years. T
n/a	x	9.2	Sections 9.2	10631(e)(2)	Wholesale Suppliers shall management program, an
x	n/a	10	Chapter 10	10608.26(a)	Retail Suppliers shall conc targets (recommended to
x	x	10.2	Section 10.2.1	10621(b)	Notify, at least 60 days pr Supplier will be reviewing
x	x	10.4	Section 10.4	10621(f)	Each urban water Supplier
x	x	10.2	Sections 10.2.2, 10.3, and 10.5	10642	Provide supporting docum notice of the public hearin
x	x	10.2	Section 10.2.2	10642	The Supplier is to provide water.
x	x	10.3	Section 10.3.2	10642	Provide supporting docum
x	x	10.4	Section 10.4	10644(a)	Provide supporting docum
x	x	10.4	Section 10.4	10644(a)(1)	Provide supporting docum Supplier provides water n
x	x	10.4	Sections 10.4.1 and 10.4.2	10644(a)(2)	The UWMP, or amendmen
x	x	10.7	Section 10.7.2	10644(b)	If revised, submit a copy
x	x	10.5	Section 10.5	10645(a)	Provide supporting docum or will make the plan avai
x	x	10.5	Section 10.5	10645(b)	Provide supporting docum or will make the plan avai
x	x	10.6	Section 10.6	10621(c)	If Supplier is regulated by rate case filings.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A WATER SHORTAGE CONTINGENCY PLAN (WSCP).

WHEREAS, The California Urban Water Management Planning Act, (Wat. Code §10610, et seq. (the Act)), mandates that every urban supplier of water providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre feet of water annually, prepare and adopt, in accordance with prescribed requirements, a Water Shortage Contingency Plan (WSCP) as part of its Urban Water Management Plan (UWMP); and

WHEREAS, the Act specifies the requirements and procedures for adopting such WSCPs; and

WHEREAS, pursuant to recent amendments to the Act, urban water suppliers are required to adopt and electronically submit their WSCPs to the California Department of Water Resources (DWR) by July 1, 2026; and

WHEREAS, pursuant to the Act, “urban water supplier” means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. An urban water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers; and

WHEREAS, the City of Ontario meets the definition of an urban water supplier for purposes of the Act and is required to prepare and adopt a WSCP as part of its 2025 UWMP; and

WHEREAS, the City of Ontario has prepared a WSCP in accordance with the Act, and in accordance with applicable legal requirements, has undertaken certain coordination, notice, public involvement, public comment, and other procedures in relation to its WSCP; and

WHEREAS, in accordance with the Act, the WSCP is prepared with the assistance of consulting professionals, and in cooperation with other governmental agencies, and has utilized and relied upon industry standards and the expertise of industry professionals in preparing its WSCP, and has also utilized DWR’s Urban Water Management Plan Guidebook 2025, including its related appendices, in preparing its WSCP; and

WHEREAS, in accordance with applicable law, including Water Code section 10642, and Government Code section 6066, a Notice of a Public Hearing regarding the City of Ontario’s WSCP was published within the jurisdiction of City of Ontario on May 19, 2026 and May 26, 2026; and

WHEREAS, in accordance with applicable law, including but not limited to Water Code section 10642, a public hearing was held on June 2, 2026 at 6:30 PM, or soon thereafter, in City of Ontario City Hall in order to provide members of the public and other interested entities with the opportunity to be heard in connection with proposed adoption of the WSCP and issues related thereto; and

WHEREAS, pursuant to said public hearing on the City of Ontario's WSCP, the City of Ontario, among other things, encouraged the active involvement of diverse social, cultural, and economic members of the community within the City of Ontario's service area with regard to the WSCP, and encouraged community input regarding the City of Ontario's WSCP; and

WHEREAS, the City Council of the City of Ontario has reviewed and considered the purposes and requirements of the Act, the contents of the WSCP, and the documentation contained in the administrative record in support of the WSCP, and has determined that the factual analyses and conclusions set forth in the WSCP are legally sufficient; and

WHEREAS, the City Council of the City of Ontario desires to adopt the WSCP and to incorporate it as part of its 2025 UWMP prior to July 1, 2026 in order to comply with the Act.

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

1. The Water Shortage Contingency Plan (WSCP) is hereby adopted as amended by changes incorporated by the City Council of the City of Ontario as a result of input received (if any) at the public hearing and ordered filed with the Secretary of the City Council of the City of Ontario and shall be incorporated into City of Ontario's 2025 UWMP;

2. The Utilities General Manager is hereby authorized and directed to include a copy of this Resolution in the City of Ontario's WSCP and/or in City of Ontario's 2025 UWMP;

3. The Utilities General Manager is hereby authorized and directed, in accordance with Water Code sections 10621(d) and 10644(a)(1)-(2), to electronically submit a copy of the WSCP, as part of its 2025 UWMP, to DWR no later than July 1, 2026;

4. The Utilities General Manager is hereby authorized and directed, in accordance with Water Code section 10644(a), to submit a copy of the WSCP, as part of its 2025 UWMP, to the California State Library, and to any city or county within which the City of Ontario provides water supplies no later than thirty (30) days after this adoption date;

5. The Utilities General Manager is hereby authorized and directed, in accordance with Water Code section 10645, to make the WSCP available for public review at the City of Ontario's offices during normal business hours and on its website at https://www.ontarioca.gov/government/municipal-utilities-company/water-quality no later than thirty (30) days after filing a copy of the WSCP, as part of its 2025 UWMP, with DWR;

6. The Utilities General Manager is hereby authorized and directed to implement the WSCP in accordance with the Act and to provide recommendations to the City Council of the City of Ontario regarding the necessary budgets, procedures, rules, regulations, or further actions to carry out the effective and equitable implementation of the WSCP.

7. The document and materials that constitute the record of proceedings on which this resolution and the above findings have been based are located at City Hall, 303 East "B" Street, Ontario, CA 91764. The custodian for these records is the City Clerk of the City of Ontario.

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

PASSED, APPROVED, AND ADOPTED this 2nd day of June 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2026- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 2, 2026 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2026- duly passed and adopted by the Ontario City Council at their regular meeting held June 2, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

WATER SHORTAGE CONTINGENCY PLAN

8 Water Shortage Contingency Plan

The Water Shortage Contingency Plan (WSCP) is a detailed plan for how City intends to act in the case of an actual water shortage condition. This allows for management of a shortage with predictability and accountability.

IN THIS SECTION

- Overview of WSCP Components
- Water Supply Reliability Analysis
- Annual Water Supply and Demand Assessment
- Six Standard Water Shortage Levels
- Shortage Response Actions
- Communication Protocols
- Compliance, Enforcement, and Legal Authorities
- Implementation

8.1 Introduction

The CWC Section 10632 requires that every urban water supplier shall prepare and adopt a standalone WSCP as part of its UWMP.

The WSCP is a strategic plan that City of Ontario uses to prepare for and respond to foreseeable and unforeseeable water shortages. A water shortage occurs when the water supply available is insufficient to meet the normally expected customer water use at a given point in time. A shortage may occur due to a number of reasons, such as water supply quality changes, climate change, drought, regional power outage, and catastrophic events (e.g., earthquake). Additionally, the State may declare a statewide drought emergency and mandate that water suppliers reduce demands. The WSCP serves as the operating manual that City of Ontario will use to prevent catastrophic service disruptions through proactive, rather than reactive, mitigation of water shortages.

The WSCP provides a process for an Annual Assessment and structured steps designed to respond to actual conditions. This level of detailed planning and preparation provides accountability and predictability and will help City of Ontario maintain reliable supplies and reduce the impacts of any supply shortages and/or interruptions.

8.2 Overview of WSCP Components

The CWC establishes several prescriptive elements that must be included in a retail water supplier's WSCP. Each element and its location within the WSCP is described below.

Water Supply Reliability Analysis: Summarizes City of Ontario's water supply analysis and reliability and identifies any key issues that may trigger a shortage condition.

Annual Water Supply and Demand Assessment Procedures: Describes the key data inputs, evaluation criteria, and methodology for assessing the system's reliability for the coming year and the steps to formally declare any water shortage levels and response actions.

Shortage Stages: Establishes water shortage levels to clearly identify and prepare for shortages.

Shortage Response Actions: Describes the response actions that may be implemented or considered for each stage to reduce gaps between supply and demand.

Communication Protocols: Describes communication protocols under each stage to ensure customers, the public, and government agencies are informed of shortage conditions and requirements.

Compliance and Enforcement: Defines compliance and enforcement actions available to administer demand reductions.

Legal Authorities: Lists the legal documents that grant City of Ontario the authority to declare a water shortage and implement and enforce response actions.

Financial Consequences of WSCP Activation: Describes the anticipated financial impact of implementing water shortage stages and identifies mitigation strategies to offset financial burdens.

Monitoring and Reporting: Summarizes the monitoring and reporting techniques to evaluate the effectiveness of shortage response actions and overall WSCP implementation. Results are used to determine if additional shortage response actions should be activated or if efforts are successful and response actions should be reduced.

WSCP Refinement Procedures: Describes the factors that may trigger updates to the WSCP and outlines how to complete an update.

Special Water Feature Distinctions: Identifies exemptions for decorative features aside from pools and spas.

Plan Adoption, Submittal, and Availability: Describes the process for the WSCP adoption, submittal, and availability after each revision.

The WSCP was prepared in conjunction with City of Ontario's 2025 UWMP and is a standalone document that can be modified as needed. The document is compliant with the CWC Section 10632 and incorporates guidance from the UWMP Guidebook 2025 (Guidebook) (Department of Water Resources, 2025).

8.3 Water Supply Reliability Analysis

The City's sources of supply were discussed in Section 6 of the 2025 UWMP and consist of groundwater pumped from the Chino Basin; treated groundwater from the Chino Basin produced by the CDA; treated, imported water purchased from MWD through WFA; groundwater and/or surface water purchased from SAWCo; and recycled water purchased from IEUA. The City provides recycled water for irrigation instead of potable supplies. The Chino Basin is adjudicated, and groundwater supplies are managed.

The reliability of the various sources of supply are discussed in Section 7 of the 2025 UWMP. Based on the adjudication provisions in the Chino Basin, the City can produce groundwater in excess of its rights, provided the City pays assessments to the Chino Basin Watermaster, which are used to purchase water to replenish the Chino Basin. Imported water supplies (both treated and untreated) may be impacted in the event MWD implements its Water Supply Allocation Plan (WSAP) due to a water supply shortage. Finally, recycled water is locally generated and generally is not impacted by drought conditions.

Pursuant to CWC Section 10635, the City has conducted an analysis of its long-term water supply reliability which compares future water demands to best projections of supply availability under a range of hydrologic conditions. This analysis was most recently completed as a part of the City's 2025 UWMP, within its Water Service Reliability Assessment and DRA. This section of the WSCP provides a concise summary of these assessments. The City recognizes that the WSCP is a stand-alone document that may be updated independently from the UWMP. In the

event of updates to the supply and demand projections outside of the UWMP planning cycle, this section of the WSCP may be updated to reflect revisions to the Water Service Reliability Assessment and the DRA.

The City's UWMP Section 7.2 summarizes the City's projected water demands and supplies over the next 25 years in five-year increments, including during normal years, single dry years, and a five consecutive year drought periods. It is anticipated that the City will have sufficient water supplies available to meet projected demands.

8.4 Annual Water Supply and Demand Assessment Procedures

Since July 1, 2022, the City has been required to submit an Annual Assessment in accordance with DWR's guidance and requirements. The Annual Assessment includes a review of the City's unconstrained water demands (i.e. water demands prior to any projected response actions the City may trigger under this WSCP) for the current year and the upcoming (potential single dry) year. The City also assesses information regarding anticipated shortages, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the City's WSCP.

For each Annual Assessment, the City plans to prepare a preliminary assessment which evaluates the adequacy of its water supplies for the current and upcoming years. The preliminary assessment will include a review of water supplies for at least a single dry year.

The components of an Annual Assessment consist of the following:

- A decision-making process
- Key data inputs and assessment methodology

8.4.1 Decision Making Process

The City produces groundwater from the Chino Basin as its primary source of water supply and that basin is managed on a FY basis. Consequently, during the third quarter of each FY the City will review its water demands from the initial six months along with the current groundwater basin conditions and local hydrology. This information will be used to help develop the Annual Assessment. A draft of the Annual Assessment will be circulated internally within the Utilities Water Resources Department for peer review and comment. Based on comments received, a redraft will be prepared and provided to the Water Resources Manager during the Spring of each year. If a new water shortage stage or new shortage response actions are required, a final draft of the Annual Assessment may be provided to the General Manager and City Council for review such that any recommended specific shortage response actions may be enacted. The final Annual Assessment will be provided to DWR no later than July 1 of each year.

The Annual Assessments will be instrumental in providing guidance to the City for decisions regarding potential declarations of a water supply shortage and implementation of water reduction stages, instituting mandatory water restrictions, promoting WUE and conservation

programs, adopting and implementing water rates and drought rate surcharges, and pursuing alternative water supplies when necessary. This process will help ensure adequate water supply resources are available to the City.

8.4.2 Data and Methodologies

The key data inputs and methodologies which will be evaluated by the City during the preparation of the preliminary assessment will include the following:

1. **Evaluation Criteria:** The locally applicable evaluation criteria used to prepare the Annual Assessment will be identified. The evaluation criteria may include, but is not limited to, an analysis of current local hydrology (including rainfall and groundwater levels), current water demands, a review of water system improvement plans which may impact infrastructure availability, and water quality regulations which may impact groundwater availability.
2. **Water Supply:** An assessment of each available water supply source will be conducted. The assessment may include a quantification of each available water supply source based on review of current production capacities, historical production, UWMPs, and prior water supply studies (including Water Supply Assessments and/or Master Plans).
3. **Unconstrained Water Demand:** The potential unconstrained water demands during the current year and the upcoming (potential single dry) year, prior to any special shortage response actions, will be reviewed. The review may include factors such as weather, existing and projected land uses and populations, actual customer consumption and water use factors, monthly demand and supply reports, existing water shortage levels (see Section 8.5), and existing water conservation ordinances (see Section 9 of UWMP).
4. **Planned Water Use for Current Year Considering Dry Subsequent Year:** The water supplies available and projected for use to meet the demands during the current year and the upcoming (potential single dry) year will be considered and identified by each type of supply. The evaluation may include factors such as estimated water demands, weather, groundwater basin operating safe yields, water quality results, existing available pumping capacities, imported water allocations, contractual obligations, regulatory issues, use of emergency interconnections, and the costs associated with producing each water supply source.
5. **Infrastructure Considerations:** The capabilities of the water system infrastructure to meet the water demands during the current year and the upcoming (potential single dry) year will be considered. Available production capacities (e.g. groundwater well capacities) and distribution system water losses will be reviewed. In addition, capital improvement and replacement projects, as well as potential projects which may increase water system and production capacities, will be considered.
6. **Other Factors:** Additional local considerations, if any, which can affect the availability of water supplies will be described.

8.5 Six Standard Water Shortage Levels

The City has a legal responsibility to provide water utility services, including water for residential, commercial, industrial, public authority, and for public fire hydrants and private fire services. The City will manage water supplies prudently to minimize the adverse impacts of water shortages. The City's WSCP is designed to provide water supplies in the event there is a severe or extended water shortage. This includes structured stages of action referred to as water supply shortage planning levels. Table 8-1 provides a description of the six standard levels of action which may be triggered by a shortage in one or more of the City's water supply sources, depending on the severity of the shortage and its anticipated duration.

Table 8-1- Water Shortage Contingency Planning Levels

Shortage Level	Percent Shortage Range	Shortage Response Actions (Narrative description)
1	Up to 10%	Washing of motor vehicles, trailers, boats, or other types of mobile equipment shall be done only with a hand-held bucket or a hose equipped with a positive shutoff nozzle for quick rinses, except that washing may be done at the immediate premises of a commercial car wash or with reclaimed wastewater. No person shall sprinkle, water, or irrigate any landscaped or vegetated areas between the hours of 9:00 a.m. and 4:00 p.m.
2	Up to 20%	In addition to Shortage Level 1, operators of hotels and motels must provide the option of choosing not to have towels and linens laundered daily. Irrigation is prohibited during and within 48 hours of rainfall.
3	Up to 30%	In addition to Shortage Level 2, the use of fire hydrants shall be limited to fire fighting and related activities and other uses of water for municipal purposes shall be limited to activities necessary to maintain the public health, safety, and welfare. Unless written permission has been granted by the City Manager or his/her designee, the use of potable water for construction activities and grading shall be prohibited.
4	Up to 40%	In addition to Shortage Level 3, residents and CII customers will be prohibited from irrigating turf or other landscaping more than two days a week. No person shall irrigate any turf or landscaped area more than fifteen minutes (15) on watering days. No vehicles shall be washed unless it is taken to a carwash.
5	Up to 50%	In addition to Shortage Level 4, residents and CII customers will be prohibited from irrigating turf or other landscaping more than one day a week.
6	Greater than 50%	In addition to Shortage Level 5, unless otherwise permitted by a resolution of the City Council, there shall be no use of potable water for irrigation of outdoor landscape or turf. Commercial nurseries shall be prohibited from the use of potable water for irrigation of outdoor, landscape and turf except by use of a hand-held hose equipped with a positive shutoff nozzle. The following nonessential use of water shall be prohibited: the filling, cycling, filtering, or refilling of swimming pools, spas, Jacuzzis, fountains, or other like devices.

The 2025 UWMP requires urban water suppliers to have six standardized water shortage response actions in accordance with DWR. The City's previous WSCP, originally included in the

City's 2015 UWMP's as Ordinance No. 3027 (City of Ontario, 2021) established a voluntary stage followed by four water supply shortage levels that would be mandatory once put into effect: Stage 1 addresses a water supply shortage of up to 10 percent; Stage 2 addresses a water supply shortage of up to 20 percent; Stage 3 addresses a water supply shortage of anywhere between 20 percent to 50 percent; and Stage 4 addresses a water supply shortage of more than 50 percent.

During the 2020 UWMP cycle, the City prepared a Water Conservation Plan (City of Ontario, 2021) that addressed the six standard stages of action in accordance with DWR. Under this Water Conservation Plan, the City continued to incorporate Ordinance No. 3027's voluntary stage during normal water supply conditions as well as the existing Stage 1 and Stage 2 water supply shortage levels as is. However, the City amended Stage 3 to address a water supply shortage of up to 30 percent. In addition, the City included Stage 4 and Stage 5 that will be used to address a water supply shortage of up to 40 percent, and 50 percent, respectively. The City's existing Stage 4 was amended to a Stage 6 level which addresses a water supply shortage of more than 50 percent. For the 2025 UWMP, the City will continue to follow the Water Conservation Plan.

In 2023, California chaptered into law the Non-Function Turf Irrigation Regulations (Assembly Bill 1572) requiring all public water systems to revise their ordinances to ban irrigation, with potable water, of non-functional turf located on commercial, industrial, and institutional properties. The City is working toward updating their Municipal Code (Title 6 Chapter 8A for Water Conservation Plan) to include the required language within General Prohibitions, not affecting the Conservation Stages.

8.6 Shortage Response Actions

8.6.1 Demand Reduction

8.6.1.1 Voluntary Conservation Stage

All people are encouraged to voluntarily limit the amount of water used to the amount absolutely necessary for health and safety, business operations, and irrigation. Except as otherwise provided in this chapter where a declared water shortage stage or water shortage emergency requires mandatory or other more stringent requirements, the following elements of conservation apply at all times on a voluntary basis by all people within the City:

1) Avoid hose washing of sidewalks, walkways, driveways, parking areas, or other paved surfaces, except as required for sanitary purposes. If a person uses a hand-held hose to wash any paved surfaces, the hose shall be equipped with a positive shutoff nozzle.
2) Wash motor vehicles, trailers, boats, and other types of mobile equipment using a hand-held bucket, or a hose equipped with a positive shutoff nozzle for quick rinses,

or at the immediate premises of a commercial car wash or with recycled wastewater for approved uses.

3) Avoid using water to clean, fill, or maintain levels in decorative fountains, ponds, lakes, or other similar aesthetic structures unless such water is part of a recycling system.
4) Encourage restaurants, hotels, cafes, cafeterias, or other public places where food is sold, served or offered for sale, to serve drinking water only to those customers expressly requesting water.
5) Promptly repair all leaks from indoor and outdoor plumbing fixtures.
6) Avoid watering lawn, landscape or other turf areas more often than every other day and during the hours between 6:00 a.m. and 6:00 p.m.
7) Avoid causing or allowing the water to run off landscape areas into adjoining streets, sidewalks, or other paved areas due to incorrectly directed or maintained sprinklers or excessive watering.

8.6.1.2 Stage 1 Water Supply Shortage (Up to 10%)

During a Stage 1, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that the City's water conservation goals are not being met by voluntary water conservation measures, or that the City's water supplies are likely to be reduced by up to ten percent (10%) or it has otherwise been requested or directed by executive order or regulation of a State agency to reduce its potable water consumption or production by a specified amount.

1) Except as required for health and sanitary purposes, washing of sidewalks, driveways, parking areas or other paved surfaces is prohibited. Any hand-held hose used for such purposes shall be equipped with a positive shutoff nozzle.
2) Washing of motor vehicles, trailers, boats or other types of mobile equipment shall be done only with a hand-held bucket or a hose equipped with a positive shutoff nozzle for quick rinses, except that washing may be done at the immediate premises of a commercial car wash or with reclaimed wastewater.
3) No water shall be used to clean, fill or maintain levels in decorative fountains, ponds, lakes or other similar aesthetic structures unless such water is part of a recycling system.
4) No restaurant, hotel, café, cafeteria or other public place where food is sold, served or offered for sale, shall serve drinking water to any customer unless expressly requested.
5) All water customers of the City shall promptly repair all leaks from indoor and outdoor plumbing fixtures. Such leak shall be repaired in a timely manner after notification by the City, but in no case after notification in excess of 72 hours for the first violation and then every 72 hours thereafter for the second and third violations.
6) No person shall sprinkle, water, or irrigate any landscaped or vegetated areas between the hours of 9:00 a.m. and 4:00 p.m. In any event, such watering shall not

be in excess of needs nor be of a manner that allows water flow onto streets or other paved areas. The above mentioned may be watered by a hand-held hose equipped with a positive shutoff nozzle at any time of the day. Commercial nurseries, golf courses, and other water-dependent industries are exempt.

7) No water customer of the City shall cause or allow the water to run off landscaped area into adjoining streets, sidewalks or other paved areas due to incorrectly directed or maintained sprinkler or excessive watering.

8) The use of water from fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through a proper City-Designated meter. The use of potable water for construction activities shall be restricted in areas where recycled water is available for such use.

8.6.1.3 Stage 2 Water Supply Shortage (Up to 20%)

During a Stage 2, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than ten percent (10%) up to twenty percent (20%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in Stage 1 shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.

2) Filling or refilling of empty swimming pools shall not occur without the written permission of the City Manager or his/her designee.

3) All customers are prohibited from irrigating turf or ornamental landscapes during and within 48 hours following measurable rainfall.

4) Operators of hotels and motels must provide guests with the option of choosing not to have towels and linens laundered daily and prominently display notice of this option.

5) All persons, including the City, are prohibited from irrigating with potable water any ornamental turf on public street medians.

6) The use of potable water irrigation outside of newly constructed homes and buildings shall be consistent with the California Building Standards Commission and the Department of Housing & Community Development.

8.6.1.4 Stage 3 Water Supply Shortage (Up to 30%)

During a Stage 3, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than twenty percent (20%) and up to thirty percent (30%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.

2) Residents and CII customers will be prohibited from irrigating any turf or landscape area more than four (4) days a week.
3) The use of water from fire hydrants shall be limited to fire fighting and related activities and other uses of water for municipal purposes shall be limited to activities necessary to maintain the public health, safety, and welfare. Unless written permission has been granted by the City Manager or his/her designee, the use of potable water for construction activities and grading shall be prohibited.

8.6.1.5 Stage 4 Water Supply Shortage (Up to 40%)

During a Stage 4, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than thirty percent (30%) and up to forty percent (40%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.
2) Residents and CII customers will be prohibited from irrigating turf or other landscaping more than two (2) days a week.
3) No person shall irrigate any turf or landscaped area more than fifteen minutes (15) on watering days.
4) No vehicles shall be washed unless it is taken to a carwash.

8.6.1.6 Stage 5 Water Supply Shortage (Up to 50%)

During a Stage 5, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than forty percent (40%) and up to fifty percent (50%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State Agency to reduce its potable water consumption or production by a specified amount.

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.
2) Residents and CII customers will be prohibited from irrigating turf or other landscaping more than one (1) day a week.

8.6.1.7 Stage 6 Water Supply Shortage Emergency (More than 50%)

During Stage 6, the following mandatory restrictions on the use of potable water shall be applicable when the City Council determines that it is likely that the City will suffer a reduction of more than fifty percent (50%) in its water supplies or it has otherwise been requested or directed by executive order or regulation of a State agency to reduce its potable water consumption or production by a specified amount. A water shortage emergency may be declared whenever the City Council finds and determines that the ordinary demands and requirements of water

consumers cannot be satisfied without depleting the water supply of the City to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency may include an immediate emergency. An immediate emergency may occur as a result of a breakage or failure of a dam, pump, pipe line or conduit, a major earthquake, large-scale fire, or other so called "Act of God" which may have serious impacts on the City's available water supply.

The following restrictions on the use of potable water shall be applicable during a Stage 6 Water Supply Shortage Emergency:

1) All the prohibitions and restrictions in the preceding Stages shall be in effect provided that the more restrictive measures noted in this Stage shall take precedence.
2) Unless otherwise permitted by a resolution of the City Council, there shall be no use of potable water for irrigation of outdoor landscape or turf.
3) Commercial nurseries shall be prohibited from the use of potable water for irrigation of outdoor, landscape and turf except by use of a hand-held hose equipped with a positive shutoff nozzle.
4) The following nonessential use of water shall be prohibited: the filling, cycling, filtering, or refilling of swimming pools, spas, Jacuzzis, fountains or other like devices.

Table 8-2- Demand Reduction Actions

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1	Other - Prohibit use of potable water for washing hard surfaces	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Other - Require automatic shut of hoses	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Water Features - Restrict water use for decorative water features, such as fountains	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1	CII - Restaurants may only serve water upon request	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Landscape - Limit landscape irrigation to specific times	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes
1	Landscape - Restrict or prohibit runoff from landscape irrigation	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF		Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1	Other	Collective reduction from all Shortage Level 1 actions is up to 4,712 AF	The use of water for fire hydrants shall be limited to fire fighting and related activities necessary to maintain the public health, safety, and welfare. An exception may be made for construction use through proper city-designated meter. The use of potable water for construction activities shall be restricted in areas where recycled water is available for such use.	Yes
2	Other	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	Includes all Stage 1 actions	Yes
2	Other water feature or swimming pool restriction	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	Filling or refilling of empty swimming pools shall not occur without the written permission of the City Manager or his/her designee.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
2	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	All customers are prohibited from irrigating turf or ornamental landscapes during and within 48 hours following measurable rainfall.	Yes
2	CII - Lodging establishment must offer opt out of linen service	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF		Yes
2	Landscape - Prohibit all landscape irrigation	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	All persons, including the City, are prohibited from irrigating with potable water any ornamental turf on public street medians.	Yes
2	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 2 actions is up to 9,424 AF	The use of potable water for irrigation outside of newly constructed homes and buildings shall be consistent with California Building Standards Commission and Department of Housing & Community Development.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
3	Other	Collective reduction from all Shortage Level 3 actions is up to 14,137 AF	includes all Stage 2 actions	Yes
3	Landscape - Limit landscape irrigation to specific days	Collective reduction from all Shortage Level 3 actions is up to 14,137 AF	Residents and CII customers will be prohibited from irrigating any turf or landscape area more than four days a week.	Yes
3	Other - Prohibit use of potable water for construction and dust control	Collective reduction from all Shortage Level 3 actions is up to 14,137 AF	The use of water from fire hydrants shall be limited to fire fighting and related activities and other uses of water for municipal purposes shall be limited to activities necessary to maintain the public health, safety and welfare. Unless written permission has been granted by the City Manager or his/her designee, the use of potable water for construction activities and grading shall be prohibited.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
4	Other	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF	Includes all Stage 3 actions	Yes
4	Landscape - Limit landscape irrigation to specific days	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF	Residents and CII customers will be prohibited from irrigating any turf or landscape area more than two days a week.	Yes
4	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF	No person shall irrigate any turf or landscaped area more than fifteen minutes (15) on watering days.	Yes
4	Other - Prohibit vehicle washing except at facilities using recycled or recirculating water	Collective reduction from all Shortage Level 4 actions is up to 18,849 AF		Yes
5	Other	Collective reduction from all Shortage Level 5 actions is up to 23,561 AF	Includes all Stage 4 actions	Yes
5	Landscape - Limit landscape irrigation to specific days	Collective reduction from all Shortage Level 5 actions is up to 23,561 AF	Residents and CII customers will be prohibited from irrigating any turf or landscape area more than one day a week.	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
6	Other	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF	Includes all Stage 5 actions	Yes
6	Landscape - Prohibit all landscape irrigation	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF	Commercial nurseries shall be prohibited from the use of potable water for irrigation of outdoor, landscape and turf except by use of a hand-held hose equipped with a positive shutoff nozzle.	Yes
6	Landscape - Other landscape restriction or prohibition	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF		Yes
6	Other water feature or swimming pool restriction	Collective reduction from all Shortage Level 6 actions is greater than 23,561 AF	The following nonessential uses of water shall be prohibited: the filling, cycling, filtering, or refilling swimming pools, spas, Jacuzzis, fountains or other like devices.	Yes

8.6.2 Supply Augmentation

The City does not plan to add a new source of water supply to address customer demands, but instead will consider increased supplies from existing sources. Instead, the City will focus on demand reduction measures in the event existing sources of supply are not sufficient to meet customer demands. As discussed in UWMP Section 6, the City's sources of water supply

include: groundwater pumped from the Chino Basin; treated groundwater from the Chino Basin produced by the CDA; treated, imported surface water purchased from MWD through WFA; groundwater and/or surface water purchased from San Antonio Water Company; and recycled water purchased from IEUA. The City's main source of water supply is groundwater pumped from the Chino Basin. As noted in Section 8.4, since July 1, 2022, the City prepares and submit an Annual Assessment which will include a review of water supplies available to meet water demands for the current and upcoming years. In the event the City is currently in, or considers entering into, one of the standard water shortage levels identified in Section 8.5, the City will consider the water supply augmentation actions described below.

For each water shortage level discussed in Section 8.5, the City will consider supplementing its existing water supplies through increased groundwater production instead of the purchase of additional imported water supplies, to the extent possible.

As discussed previously, WFA's and IEUA's source of water supply is strictly imported surface water from MWD purchased through IEUA and treated at WFA's treatment facility. WFA does not anticipate augmenting water supplies. IEUA is limited in its ability to implement water supply augmentation actions. IEUA's supply augmentation actions are described in Table 8-3. MWD's supply augmentation actions, described in MWD's WSCP, capture the supply augmentation actions that are relevant to IEUA. To the extent possible, IEUA would coordinate with MWD and its other member agencies on supply augmentation projects during normal and shortage periods to continue expanding water reliability for the entire region.

Table 8-3- Supply Augmentation and Other Actions (DWR Table 8-3)

SHORTAGE LEVEL	SUPPLY AUGMENTATION METHODS AND OTHER ACTIONS BY WATER SUPPLIER	HOW MUCH IS THIS GOING TO REDUCE THE SHORTAGE GAP?	ADDITIONAL EXPLANATION OR REFERENCE
1-6	MWD Supply Augmentation	0 to 100% of shortage gap	Coordinate with MWD and, if needed, purchase supplemental supplies from MWD

Due to previous critically dry conditions, MWD developed the WSAP whereby available supplies are equitably allocated to its member agencies, including CDA, IEUA, and WFA. The WSAP establishes ten different shortage levels and a corresponding drought allocation to each member agency. Based on the shortage level established by MWD, the WSAP provides a reduced drought allocation to a member agency for its Municipal and Industrial (M&I) retail demand. The ratio of MWD water supply drought allocation to local water supply will change based on the WSAP stage.

MWD's primary first response to any gap between core supplies (from the State Water Project and Colorado River) and demand is to make optimal use of its supply augmentation options, consisting of drawing from flexible supply programs and storage reserves. MWD has developed and actively manages a portfolio of water supply programs including water transfer, storage, and exchange agreements. MWD pursues voluntary water transfer and exchange programs to help mitigate supply/demand imbalances and provide additional dry-year supply sources. In addition, MWD has developed significant storage capacity in reservoirs, conjunctive use, and other groundwater storage programs totaling approximately 6.0 million AF. Pursuant to MWD's "Emergency Storage Objective", updated in 2019, approximately 750,000 AF of total stored water is emergency storage reserved by MWD for use in the event of supply interruptions. Based on MWD's historical and on-going water supply and storage programs and management practices, the City will use up to the treated imported water supply made available from MWD through WFA in association with each of the standard water shortage levels identified in Section 8.5. Water demands will be addressed through increased use of the local groundwater supplies and implementation of demand reduction measures through the various stages of action.

The City will consider augmenting its existing water supplies through production of additional groundwater from the Chino Basin. As noted in Section 6, the Chino Basin is managed under the Chino Basin adjudication. During the period of management under the Chino Basin Judgment, significant drought events have occurred. In each drought cycle the Chino Basin has been managed to maintain water levels. Parties to the Chino Basin Judgment, including the City, are authorized to produce groundwater in excess of their rights and pay assessments for such production to the Chino Basin Watermaster. The assessments are used to purchase untreated imported water to replenish the Chino Basin. The Chino Basin Watermaster purchases untreated imported water to replenish the Chino Basin from MWD through IEUA. Groundwater quality is carefully monitored by the Chino Basin Watermaster. Treatment facilities and/or blend plans have been developed by water agencies to meet potable water standards and to prevent the spread of any groundwater contamination. Groundwater quality in the Chino Basin is not expected to impact potable supplies or constrain supply reliability. Based on historical and on-going management practices, the City will be able to continue relying on the Chino Basin for adequate supplies in response to each of the standard water shortage levels identified in Section 8.5.

8.6.3 Operational Changes

During a water supply shortage situation, the City will manage its water supply resources to provide sufficient water supplies capable of meeting the demands of its customers. Section 8.6.1 describes the City's standard water shortage levels and associated demand reduction measures. Section 8.6.2 describes the City's water supply sources and water supply augmentation actions available. The supply augmentation actions and demand reduction measures, when implemented, may potentially result in short-term operational changes which are necessary to allow the City to utilize all available water supply sources in response to water shortage situations.

As noted in Section 8.4, the City prepares and submit an Annual Assessment which will include a review of the water supplies available to meet water demands for the current and upcoming years. Preparation of the Annual Assessment will assist the City in determining any potential operational changes. In addition, the City's standard water shortage levels and the associated demand reduction measures, in conjunction with the City's existing DMMs (discussed in Section 9), will be essential to the City in reducing water demands during any water shortage period. The operational changes the City will consider in addressing non-catastrophic water shortages on a short-term basis include the following:

- Improved monitoring, analysis, and tracking of customer water usage to enforce demand reduction measures
- Optimized production from existing available water supply sources
- Potential use of emergency supply sources, including emergency interconnections
- Potential blending of water supply resources
- Improved monitoring, maintenance, and repairs to reduce water distribution system losses

8.6.4 Additional Mandatory Restrictions

The mandatory restrictions which are implemented by the City to reduce customer demands are discussed in Section 8.6.1. There are no additional mandatory restrictions planned at this time.

8.6.5 Emergency Response Plan

Catastrophic water shortages are incorporated in the City's standard water shortage levels (identified in 8.5) and the associated demand reduction measures (described in Section 8.6.1). In addition to the water supply augmentation actions (Section 8.6.2) and potential operational changes (Section 8.6.3) which the City may consider in order to continue providing sufficient water supplies, the City will review and implement any necessary steps included in its "Emergency Response Plan" (ERP).

As part of the "America's Water Infrastructure Act of 2018", community water systems serving a population greater than 3,300 people, including the City, are required to review and update their "Risk and Resilience Assessment" (RRA) and the associated ERP every five (5) years. However, due to security concerns regarding the submitting of these reports, water systems are required to submit certifications to the United States Environment Protection Agency (USEPA), from March 31, 2025 and December 30, 2026, confirming the current RRA and ERP have been reviewed and updated.

The City's RRA, prepared in March 2025, evaluates the vulnerabilities, threats, and consequences from potential hazards to the City's water system. The City prepared its RRA (which is incorporated by reference) by evaluating the following items:

- Natural hazards and malevolent acts (i.e., all hazards);

- Resilience of water facility infrastructure (including pipes, physical barriers, water sources and collection, treatment, storage and distribution facilities, and electronic, computer and other automated systems);
- Monitoring practices;
- Financial systems (e.g., billing systems);
- Chemical storage and handling; and
- Operation and maintenance.

The District's RRA evaluated a series of potential malevolent acts, natural hazards, and other threats in order to estimate the potential "monetized risks" (i.e. associated economic consequences to both the water system and surrounding region, and the likelihood of occurrence) associated with the City's water facility assets. The cost-effectiveness of implementing potential countermeasures to reduce risks was also reviewed.

The City's ERP, prepared in March 2025, provides the management, procedures, and designated actions the City and its employees will implement during emergency situations (including catastrophic water shortages) resulting from natural disasters, system failures and other unforeseen circumstances. The City's ERP (which is incorporated by reference) provides the guidelines for evaluating an emergency situation, procedures for activating an emergency response, and details of the different response phases in order to ensure that customers receive a reliable and adequate supply of potable water. The scope of the ERP includes emergencies which directly affect the water system and the ability to maintain safe operations (such as a chlorine release, and earthquake or a threat of contamination). The ERP also incorporates the results of City's RRA and includes the following:

- Strategies and resources to improve resilience, including physical and cybersecurity
- Plans and procedures for responding to a natural hazard or malevolent act
- Actions and equipment to lessen the impact of a natural hazard or malevolent act
- Strategies to detect natural hazards or malevolent act

The City will review the ERP for procedures regarding the utilization of alternative water supply sources in response to water supply shortages, including during the standard water shortage levels. The City will also review applicable procedures described in the ERP regarding any necessary temporary shutdown of water supply facilities, including appropriate regulatory and public notifications.

8.6.6 Seismic Risk Assessment and Mitigation Plan

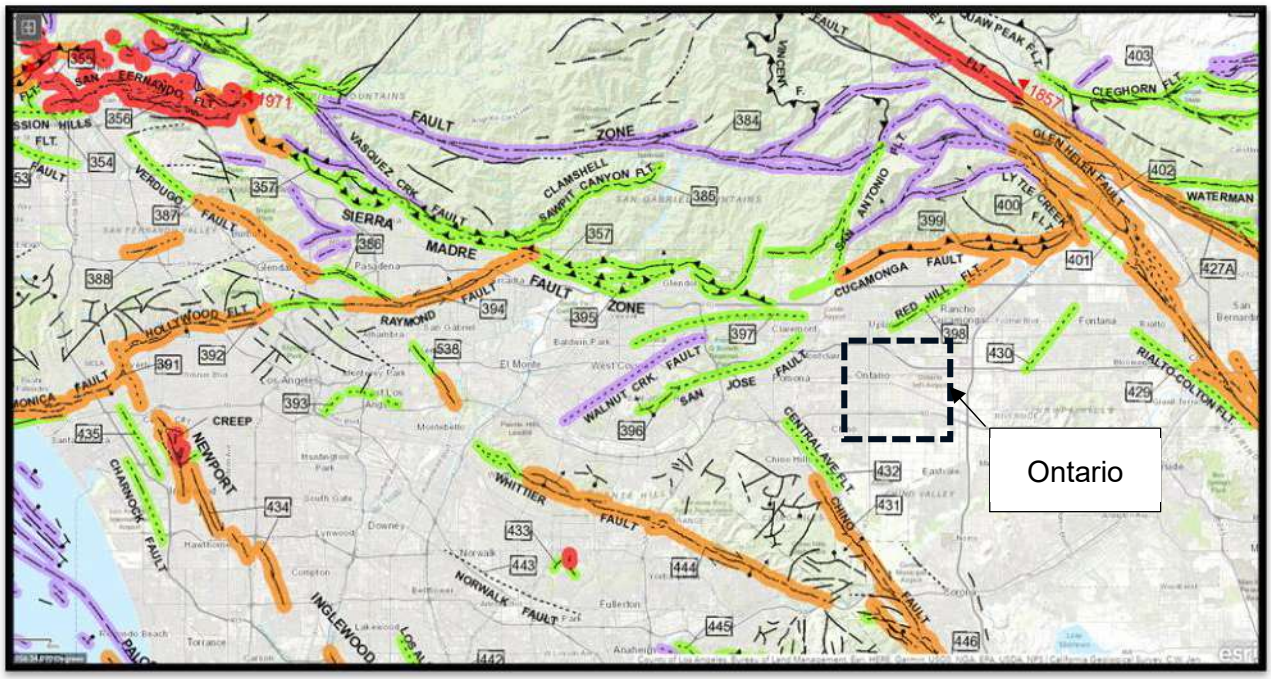
The City prepared a local "Hazard Mitigation Plan" which was approved by the Federal Emergency Management Agency (FEMA) in 2023. The Hazard Mitigation Plan identifies effective ways to assess the significant natural hazards (including earthquakes) that may affect the City and its residents. The Hazard Mitigation Plan provides resources, information, and strategies to reduce the City's vulnerability to these hazards, while providing guidance for the coordination of mitigation activities throughout the City. The Hazard Mitigation Plan includes mitigation projects necessary to reduce seismic risk to the City's water distribution system facilities (including its distribution system pipelines, groundwater wells, booster pumps, and

storage reservoirs) and potential disruptions in providing water service. The City's Hazard Mitigation Plan is provided in Appendix G.

The County of San Bernardino prepared a "Multi-Jurisdictional Hazard Mitigation Plan" which was approved by the FEMA in 2023 (San Bernardino County, 2023). The County's Multi-Jurisdictional Hazard Mitigation Plan identified methods to assess significant natural hazards (including earthquakes) affecting areas throughout San Bernardino County, and the mitigation strategies necessary to reduce risks, including seismic risk. The County's Mitigation Plan is located in Appendix H.

The California Geological Survey has published the locations of numerous faults which have been mapped in the Southern California region. Although the San Andreas fault is the most recognized and is capable of producing an earthquake with a magnitude greater than 8 on the Richter scale, some of the lesser-known faults have the potential to cause significant damage. The locations of these earthquake faults in the vicinity of the City's water service area are provided in the Figure 8-1 below. The faults that are located in close proximity to and could potentially cause significant shaking in the City's water service area include the San Andreas fault, the Walnut Creek fault, the San Jose fault, the Red Hill fault, the Cucamonga fault, the Chino fault, the Rialto-Colton fault and the Central Avenue fault. As discussed in Section 6, the faults which border the Chino Basin include the Rialto-Colton fault, the Chino fault, the San Jose fault, and the Cucamonga fault.

Figure 8-1- Location of Earthquake Faults

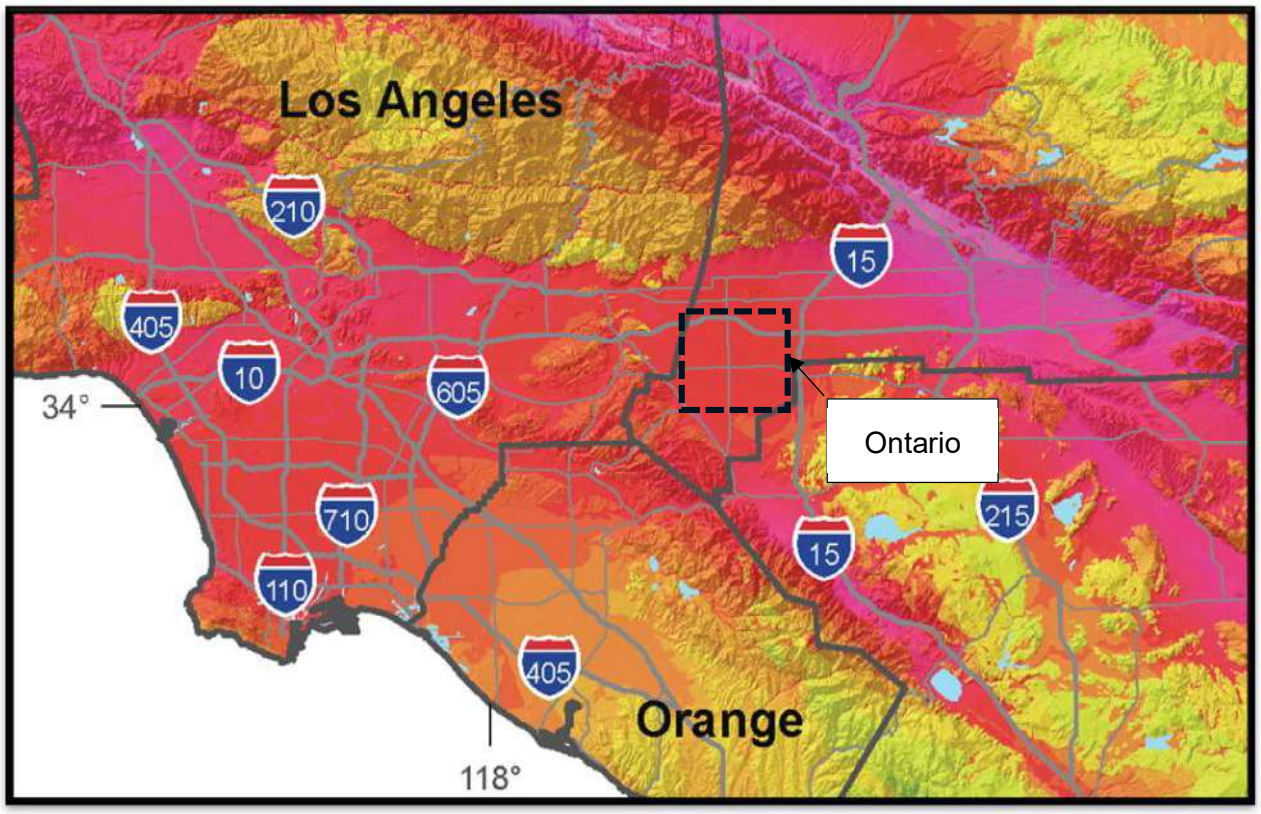


Source: (California Geological Survey, 2026)

The following Figure 8-2 provides the relative intensity of ground shaking in the vicinity of the City's service area from anticipated future earthquakes. The locations of relatively long-period

(1.0 second) earthquake shaking, including the City's service area, are provided. Long-period shaking affects tall, relatively flexible buildings, but also correlates with earthquake damage. The shaking potential is calculated based on the level of ground motion that has a 2 percent chance of being exceeded in 50 years (or the level of ground-shaking with an approximate 2,500-year average repeat time). As discussed in Section 8.6.5, the City has prepared an ERP which provides the management, procedures, and designated actions the City and its employees will implement during emergency situations resulting from natural disasters, including during earthquakes, to ensure that customers receive a reliable and adequate supply of potable water. The City's ERP is incorporated by reference.

Figure 8-2- Earthquake Shaking Potential



Source: (California Geological Survey and USGS, 2016)

8.6.7 Shortage Response Action Effectiveness

The effectiveness of the shortage response actions for each of the standard water shortage levels identified in Section 8.5, is evident in the City's historical ability to meet its customer's water demands in response to a water supply shortage. In addition, the City imposes water consumption regulations and restrictions, and supports local agencies in efforts to enforce regulations and prohibitions on water use. The effectiveness of each of the City's shortage response actions, in order to reduce any potential gaps between supply and demand, has been quantified in the expected demand reduction provided in Table 8-2.

Section 6 provides a tabulation of the City's historical annual water demands for each water supply source. During the past 15 years, the City experienced a five-year consecutive drought within its service area from FY 2011-12 to FY 2015-16. Throughout this extended dry year period, the City's annual water production ranged from 36,036 AF to 45,196 AF, with an average of approximately 41,558 AF. In addition, historical records indicate the City previously produced a maximum of up to 45,196 AF during FY 2013-14. The City has been able to provide sufficient water supplies to its customers, including during long-term droughts and years with historically high water demands. In addition, the City has been able to provide water service to meet maximum day water demands for these years, including during the summer months.

The City's water demands during the most recent five years (from FY 2020-21 to FY 2024-25) averaged approximately 31,743 AFY. Due to conservation efforts and DMMs (discussed in Section 9), the City's recent water demands have been less than its historical water demands, including during long-term droughts. The City's projected water demands (during normal, single dry, and multiple dry years) are provided in Section 7 and are anticipated to incorporate similar reductions in water use rates as a result of the shortage response actions, ongoing conservation efforts, and DMMs. Because the City's projected water rates are similar to its historical water use rates, it is anticipated the City will be able to continue providing sufficient water supplies to its customers to meet projected water demands, including during long-term droughts. In addition, based on historical and on-going management practices, the City will be able to continue relying on its water supply source from the Chino Basin for adequate supply augmentation in response to each of the standard water shortage levels identified in Section 8.5.

Based on the City's demonstrated ability to meet water demands during past water supply shortages, the adopted water shortage levels, the adjusted operating safe yields, and water supplies during long-term droughts, it is anticipated that the City will be able to provide sufficient water supplies to its customers during each of its standard water shortage levels. Although adequate supplies are anticipated, the cost of those water supplies may become incrementally more expensive. The City will enact varying stages of its WSCP to encourage retail customers to reduce water consumption and at the same time reduce the need to use the more expensive water supplies. Notwithstanding, the effectiveness of each of the City's shortage response actions, in order to reduce any potential gaps between supply and demand, has been quantified in the expected demand reduction section provided in Table 8-2. The effectiveness of the City's shortage response actions is based on the City's water demands prior to 2015 (unconstrained demands). The City reduced its water demands in 2015 in response to the Governor's April 1, 2015 Executive Order B-29-15 which mandated statewide reduction in water use of 25 percent. The City's actual water demand reduction during this period was used to estimate the extent of water use reductions for the City's Water Shortage Stages. The City's Water Shortage Stages 1, 2, 3, 4, 5, and 6 are expected to reduce water demands by up to 10%, 20%, 30%, 40%, 50%, and greater than 50%, respectively.

8.7 Communication Protocols

Upon finding that a need to implement a Stage 1 through Stage 6 Water Supply Shortage exists, the City Council will order implementation of the appropriate water shortage response action, or other measures which it deems appropriate to address the water shortage. This order shall be made by Resolution and will be published in a daily newspaper of general circulation and will become effective immediately following publication. The appropriate regulations that fall under the Stage Level declared will take effect with the first full billing period commencing on or after the effective date of the City Council's Resolution.

In the event of an immediate emergency that causes an unplanned interruption of water supply, the City Manager or his/her designee is authorized to restrict water use and apportion the available supply of water among its customers in the most equitable manner possible to continue service fairly and without discrimination, except that preference shall be given to such service as is essential to the public interest and to the preservation of life and health.

8.8 Compliance and Enforcement

The City's WSCP includes fines and penalties that may be imposed on any customer who fails to comply with the prohibitions and restrictions of each water supply shortage stage. All fines and penalties may apply to each of the prohibitions and restrictions of each water supply shortage stage. If a customer is found to be in violation of any water supply shortage stage provision, fines begin with a written notice and subsequent violations include fines of $100, $200, and $500.

8.9 Legal Authorities

The City has the legal authority to implement and enforce its WSCP. California Constitution article X, section 2 and CWC section 100 provide that water must be put to beneficial use, the waste or unreasonable use or unreasonable method of use of water shall be prevented, and the conservation of water is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and the public welfare. In addition, CWC Section 375 provides the City with the statutory authority to adopt and enforce water conservation restrictions, and CWC Section 350 et seq. authorizes the City to declare a water shortage emergency and impose water conservation measures when it determines that the City may not be able to satisfy ordinary demands without depleting supplies to an insufficient level. If necessary, the City shall declare a water shortage emergency in according with CWC Chapter 3 (commencing with Section 350) of Division 1. Once having declared a water shortage, the City is provided with broad powers to implement and enforce regulations and restrictions for managing a water shortage.

Pursuant to these authorities, the City adopted Ordinance No. 3027. Under the City's Ordinance No. 3027, a water shortage, including a water shortage emergency but excluding an immediate emergency, shall be declared by the adoption of a resolution of the City Council, in accordance

with CWC section 350. The City Council may declare a water shortage based on a determination by the MWD and the IEUA of a water shortage, the declaration of an executive order of the Governor or the adoption of voluntary or mandatory water use restrictions by any State Agency governing the use of water or based upon any interruption in water supply or delivery that the City Council determines in its sole discretion necessitates water conservation pursuant to this chapter.

Under California law, including CWC Chapters 3.3 and 3.5 of Division 1, Parts 2.55 and 2.6 of Division 6, Division 13, and Article X, Section 2 of the California Constitution, the City is authorized to implement the water shortage actions outlined in this WSCP and in the City's Ordinance No. 3027. In water shortage cases, shortage response actions to be implemented will be at the discretion of the City and will be based on an assessment of the supply shortage, customer response, and need for demand reductions as outlined in this WSCP and the City's Ordinance No. 3027.

It is noted that upon proclamation by the Governor of a state of emergency under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions, the state will defer to implementation of locally adopted WSCPs to the extent practicable.

The City will coordinate with the County and any other entities as necessary for possible proclamation of a local emergency as necessary under California Government Code, California Emergency Services Act (Article 2, Section 8558).

In the event of an immediate emergency that causes an unplanned interruption of water supply, the City Manager or his/her designee is authorized to restrict water use and apportion the available supply of water among its customers in the most equitable manner possible to continue service fairly and without discrimination, except that preference will be given to such service as is essential to the public interest and to the preservation of life and health.

At any time during Stage 1, 2, 3, 4, 5, or 6, if the City Council determines that additional reductions in the amount the potable water being used by water customers are necessary, it may adopt a resolution establishing water use limitations and enforce those water use limitations by the adoption and imposition of a volumetric penalty established therein.

8.10 Financial Consequences of WSCP

Potential revenue reductions and expense increases associated with activated shortage response actions are regulated and tracked by the City's financial department.

During periods of water supply shortages, state-mandated water use restrictions, or emergency conditions, the City may require its customers to reduce demands below levels projected under the current water rate structure. Under any of these circumstances, the City may experience a decrease in revenues. In order to offset any decline in revenues, the City Council may adopt resolutions to make additional adjustments to the water rates based on the City's increased costs to provide water to its customers.

Projected demands, water supply reductions, water rates and cost of water cannot be known with certainty. However, even under a hypothetical scenario whereby sales are gradually reduced by up to 50 percent, certain actions are known as noted below:

Water supplies:

- CDA supplies will not be impacted from a quantity or cost standpoint.
- As demands/sales are reduced, the City will rely on its least expensive sources of supply first and sequentially reduce the most expensive sources of water supply (i.e. imported water). This action will address much of the gap between reduced revenue from water sales and the cost of the water supplies.
- As sales are reduced, distribution system losses will also be reduced on a proportional basis resulting in savings by not having to provide as much water.

Revenue from water sales:

- Revenue from the monthly standby charge to each retail customer will remain constant regardless of the volume of water sold.

The City will regularly track the impacts of potentially reduced water sales on revenue and compare it to the cost of operations. In the event that the City's revenues and expenditures are severely affected by a water shortage, the following measures could be taken by the City to alleviate the financial impacts before there has been a significant draw on financial reserves:

- Rate Adjustment
- Decrease in Capital Expenditure
- Decrease in O&M Expenditure

Rate increases are not viewed positively by the customers particularly when they reduce consumption. Negative consequences that could arise from the cost-cutting actions include dissatisfaction of the customers, reduced funding for Capital Improvement Projects and system maintenance, and reduced staff availability for emergency response. Nonetheless, these tools are available to the City in a worst-case scenario to ensure a constant balance between revenue and expenses.

8.11 Monitoring and Reporting

The City regularly monitors water supply and consumption throughout the service area, including annual Distribution System Water Audits to monitor real and apparent losses, ensuring customer compliance with the provisions in the WSCP. During water supply shortages, City staff will monitor overall water consumption on a monthly basis based off of the City's metering and accounting system. Losses are monitored by comparing water production to sales. City staff regularly monitor the system and repairs leaks in a timely manner. Rates of consumption will be assessed in comparison with "normal" unrestricted water use rates based on historical consumption during non-shortage periods. In the event system-wide monitoring indicates water use reduction targets are not met, City staff may perform a more detailed review and comparison against normal water use rates for specific water use categories. Outcomes of the

categorical review may include additional targeted outreach/communication to categories that have not achieved the appropriate reduction and/or identification of specific meters/users for additional records review.

8.12 WSCP Refinement Procedures

The City's WSCP has been prepared as an adaptive management plan. As discussed in Section 8.11, the City will monitor and report on the implementation of the WSCP. The City will review the implementation results for any current or potential shortage gaps between water supplies and demands. The City will evaluate the need for revising the WSCP in order to resolve any shortage gaps, as necessary. The City will consider the following potential revisions in the event of a potential shortage gap:

- Implementation of additional public outreach, education, and communication programs (in addition to the programs discussed in Section 9).
- Implementation of more stringent water use restrictions under the standard water shortage levels (discussed in Section 8.5).
- Implementation of stricter enforcement actions and penalties (discussed in Section 8.8).
- Improvements to the water supply augmentation responses (discussed in Section 8.6.2), as well as any associated operational changes (discussed in Section 8.6.3) which may be required.
- Incorporation of additional actions recommended by City staff or other interested parties.

The City will use the monitoring and reporting data to evaluate the ability for these potential revisions to resolve any shortage gaps which may occur within the standard water shortage levels.

The WSCP is adopted as part of the City's 2025 UWMP adoption process discussed in Section 10. It is anticipated the City will review, revise, and adopt an updated WSCP as part of preparing its 2025 UWMP as necessary. However, the City will continue to review the monitoring and reporting data, and if needed, update the WSCP more frequently. Any updates to the City's WSCP will include a public hearing and adoption process by the City Council (see Section 8.14).

8.13 Special Water Feature Distinction

The City's WSCP defines "decorative water features" as water features which are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, but excluding pools and spas. In general, there are additional health and safety considerations in the water supplied to pools and spas compared to decorative water features. As a result, the City's WSCP has reviewed the response actions, enforcement actions, and monitoring and reporting programs separately for decorative water features and for pools and spas, as applicable.

As described in Section 8.6.1, under a Stage 1 Water Supply Shortage Level, no water shall be used to clean, fill or maintain levels in decorative fountains, ponds, lakes or other similar aesthetic structures unless such water is part of a recycling system.

8.14 Plan Adoption, Submittal, and Availability

The City's WSCP is adopted as part of the City's 2025 UWMP adoption process discussed in Section 10. The process for adopting the City's WSCP includes the following:

- The City will conduct a public hearing and make the WSCP available for public inspection.
- The City will provide notification of the time and place of the public hearing to any city or county in which water is provided.
- The City will publish notice of public hearing in a newspaper once a week, for two successive weeks (with at least five days between publication dates).
- The City Council will adopt the 2025 UWMP and the WSCP.
- As part of submitting the 2025 UWMP to DWR, the City will also submit the WSCP (electronically through DWR's online submittal tool) within 30 days of adoption and by July 1, 2026. The City will submit a copy of the WSCP to the California State Library and to any city or county in which water is provided within 30 days of adoption. In addition, the City will make the WSCP available for public review within 30 days of adoption.

If there are any subsequent amendments required, the process for adopting an amended WSCP includes the following:

- The City will conduct a public hearing and make the amended WSCP available for public inspection via public City Council agendas.
- The City Council will adopt the amended WSCP.
- The City will submit the amended WSCP to DWR (electronically through DWR's online submittal tool) within 30 days of adoption.

Additional information regarding the adoption, submittal, and availability of the City's WSCP (and 2025 UWMP) is provided in Section 10.

CITY OF ONTARIO *Agenda Report* **June 2, 2026**	**SECTION:** **ADMINISTRATIVE REPORTS/DISCUSSION/ACTION**
Department: Economic Development Prepared By: Charity Hernandez Department: Prepared By: Charity Hernandez Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 30

SUBJECT: A PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE CITY OF ONTARIO AND SAN BERNARDINO COUNTY

RECOMMENDATION: That City Council approve a Purchase and Sale Agreement ("Agreement") (On File with Records Management) for the property consisting of approximately 73.19 acres, located at the southwest corner of Bon View Avenue and Eucalyptus Avenue ("Site"), and authorize the City Manager or his designee, to finalize and implement non-substantive revisions to the Purchase Agreement, and execute and implement any and all contracts, agreements, and other documents required to effectuate the Agreement.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner

FISCAL IMPACT: The total purchase price of the property is $95,000,000. If approved, additional appropriations will be included in the Capital Projects fund at a future quarterly budget update to City Council for approval as needed.

BACKGROUND & ANALYSIS: The City of Ontario ("the City") has been actively working to expand park and open space opportunities across the City, especially in Ontario Ranch. A key component of this effort is the development of “Grand Park,” a planned 340-acre passive park that will ultimately provide residents with accessible open space, trails, and recreational opportunities. The County owns certain real property within the City that was acquired pursuant to Wildlife, Coastal and Park Land Conversation Bond Act (Proposition 70), which, in pertinent part, restricts the use of property to public park, recreational, or open spaces purposes.

As a way to further enhance and expedite this initiative, the City has partnered with the County of San Bernardino ("County") to facilitate the transfer and development of land for park purposes. The County currently owns the Site. The County originally acquired the Site using Proposition 70 funds.

Recognizing the opportunity to advance park development in South Ontario, the City and County

have worked collaboratively to establish a framework that allows the Proposition 70 restrictions to be transferred. On November 18, 2025, the City Council approved the Public Park Proceeds Agreement and the Parks Incentive Reimbursement Agreement, which together provide the implementation structure to support the acquisition and future development of parkland in the Grand Park.

The proposed Purchase and Sale Agreement represents the next step in this collaboration with the County, allowing the City to acquire the 73.19-acre Site from the County. Although the Site is currently encumbered by Proposition 70 restrictions, these restrictions are removed but operation of law at the closing of escrow and later preserved and transferred to other replacement land in accordance with State requirements. Specifically, the use of the replacement land must continue to be limited to public park, recreational, or open-space purposes, consistent with the California Public Resources Code.

To facilitate this process, the San Bernardino County Board of Supervisors adopted an updated land plan ("Plan") on April 7, 2026, a Plan that was approved by California State Parks Office of Grants and Local Services (OGALS) on March 3, 2026. This Plan, among other actions, authorizes the sale of the Site to the City and provides a mechanism for the Proposition 70 restrictions to be transferred to replacement parkland, identified as the Grand Park. Grand Park is envisioned as a 340-acre passive park that will serve residents of both the City and surrounding communities. The City has already acquired approximately 120 acres toward this vision and began initial construction earlier this year.

Through the agreements approved by the City Council on November 18, 2025, the City has also established a funding mechanism to support the County’s participation in this effort, encouraging the sale of additional properties, like the Site, that can be used for park and recreational purposes. The proposed Purchase and Sale Agreement is the first transaction under this broader partnership and demonstrates the shared commitment of the City and County to invest in open space, environmental stewardship, and quality of life for residents.

The project will require compliance with City’s acquisition review and compliance process. The Agreement provides that among other things, the completion of due diligence, including title review, CEQA compliance, and SLA compliance (for County) is a condition to close of escrow.

Staff recommends approval of the Agreement.