CITY OF ONTARIO

Regular City Council/Housing Authority Meeting
OCTOBER 6, 2026

City Hall
303 East B Street, Ontario, CA 91764

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

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

WELCOME TO A MEETING OF THE ONTARIO CITY COUNCIL

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

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

To submit written public comments by email, please send your name, the agenda item you are commenting on, and your comments to publiccomments@ontarioca.gov. The public comment submission window opens at the time the agenda is published and remains open until 4:00 p.m. on the day of the meeting. All comments received during this timeframe will be forwarded to the City Council for consideration before action is taken on the matter and will be entered into the record. To comment by phone, please call (909) 256-2441 during the meeting.

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

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

INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

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

CLOSED SESSION PUBLIC COMMENT

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

CLOSED SESSION

GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION

Emmanuel Hernandez Contreras, an Individual; *Carlos Marmol, an Individual; v. Messiah Villanueva, an Individual; City of Ontario DBA Ontario Police Department, a Public Entity*; and, DOES 1 to 100 inclusive; Case No. CIVSB2423399

GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION

William Lee Wright v. City of Ontario, DOES 1 to 25, ET AL., inclusive; location Case No. CIVSB2423399

GC 54956.9 (3)(d) CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION
Number of cases: One (1) case

ATTACHMENT: 20261006 Closed Session

PLEDGE OF ALLEGIANCE

Council Member Wapner

INVOCATION

Pastor Sylvia-Bethel Congregational Church

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS 6:30 P.M.

The Public Comment portion of the Council/Housing Authority meeting is limited to 30 minutes. An opportunity for further Public Comment may be given at the end of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests. As previously noted -- if you wish to address the Council, fill out one of the blue slips at the rear of the chambers and give it to the City Clerk.

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

AGENDA REVIEW/ANNOUNCEMENTS

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

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed

below – there will be no separate discussion on these items prior to the time Council votes on them, unless a member of the Council requests a specific item be removed from the Consent Calendar for a separate vote.

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1. APPROVAL OF MINUTES

Minutes for the regular meetings of the City Council and Housing Authority of September 1, 2026, and approving same as on file in the Records Management Department.

ATTACHMENT: 20260901 Meeting Minutes (Not Official Until Approved)

2. BILLS & PAYROLL

Bills August 28, 2026 through September 24, 2026, and Payroll August 23, 2026 through September 5, 2026.

3. A PROFESSIONAL SERVICE AGREEMENT WITH PLACEWORKS, INC. FOR THE PLANNING AND ENVIRONMENTAL SERVICES FOR THE HOSPITALITY MASTER PLAN AND ASSOCIATED CEQA DOCUMENTATION

Authorize the City Manager, or his designee, to execute a Professional Service Agreement not to exceed $1,718,441 with PlaceWorks, Inc., of Santa Ana, for the preparation of a comprehensive Hospitality Master Plan and associated environmental clearance.

ATTACHMENT: PSA - Placeworks - Hospitality Master Plan with Exhibits.pdf

4. AUTHORIZE THE PURCHASE AND INSTALLATION OF MICROWAVE RADIO EQUIPMENT FROM AVIAT U.S., INC. FOR THE FIRE ADMINISTRATION BUILDING PROJECT

That the City Council authorize the City Manager, or designee, to execute the purchase and installation of microwave radio equipment from Aviat U.S., Inc., of Austin, TX, for a not-to-exceed amount of $229,541.

ATTACHMENT: NA251009-59001_Ontario Fire_Ontario Fre Dispatch - Aerojet_IRU600 MW Quote_vA_12012025_NEW_With SalesTAX.xlsx

ATTACHMENT: Aviat with Exhibit.pdf

5. AN AMENDMENT TO THE GOODS AND SERVICES AGREEMENT WITH CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC., FOR THE PURCHASE OF ELECTRIC VEHICLE CHARGERS AND SUPPLIES

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Goods and Services Agreement with Consolidated Electrical Distributors, Inc.,(CED) of Buena Park, California, for the purchase of electric vehicle chargers and supplies in the amount of $369,813, for a total not-to-exceed contract amount of $963,398, and exercise two one-year extension options, extending the term of the Agreement through June 30, 2029.

ATTACHMENT: 2. _Consolidated Electrical Distributors Amendment No. 1.pdf

6. CONTRACTS AND AMENDMENTS RELATED TO THE FOURTH STREET STORM DRAIN, WATER MAIN, AND STREET IMPROVEMENT PROJECT

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Construction Contract with Mamco, Inc., of Perris, California, for the Fourth Street Storm Drain, Water Main, and Street Improvements Project in the amount of $12,292,292, plus a 10% contingency of $1,229,229 for a total not-to-exceed contract amount of $13,521,521; and
B. Authorize the City Manager, or his designee, to execute Amendment No. 13 to the Professional Services Agreement with Kleinfelder, Inc., of Ontario, California, to provide geotechnical and material testing services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project in the amount of $233,112 for a total not-to-exceed contract amount of $3,593,786; and
C. Authorize the City Manager, or his designee, to execute Amendment No. 19 to the Professional Services Agreement with Infrastructure Engineering Corporation, an Ardurra Group Corporation, of Newport Beach, California, for additional engineering services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project in the amount of $48,739 for a total not-to-exceed contract amount of $9,700,442, extend the contract term to December 31, 2028 to allow for the completion of ongoing projects; and
D. 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: Mamco, Inc. dba Alabbasi - Construction Contract.pdf
ATTACHMENT: Kleinfelder, Inc. - Amendment No. 13.pdf
ATTACHMENT: Infrastructure Engineering Corp - Amendment No. 19.pdf
ATTACHMENT: Exhibit A - Location Map.pdf

7. A RESOLUTION ACCEPTING DRINKING WATER STATE REVOLVING FUNDS FOR WELL NO. 53 EQUIPPING PROJECT IN THE AMOUNT OF $8,000,000 FROM THE STATE OF CALIFORNIA WATER RESOURCES CONTROL BOARD

That the City Council:

A. Adopt a Resolution authorizing to accept funding totaling $8,000,000 from the Drinking Water State Revolving Funds (DWSRF) from the State of California Water Resources Control Board (SWRCB) for Well No. 53 Equipping Project; and
B. Authorize the City Manager, or designee, to execute any documentation necessary for the implementation and completion of the project, but not limited to, Funding Agreement, amendments, loan documents, certifications, reimbursement requests, and all other documents necessary to accept, administer, and receive reimbursement of the DWSRF financing awarded by the SWRCB.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR REIMBURSEMENT OF STATE REVOLVING FUNDS FOR WELL 53 EQUIPPING PROJECT FROM THE STATE OF CALIFORNIA RESOURCES CONTROL BOARD.

ATTACHMENT: DWSRF_Sample Agreement.pdf
ATTACHMENT: Resolution Schedule of System Obligations 01_RESO_RM
ATTACHMENT: Attachment 1 to Resolution_v1.docx
ATTACHMENT: Attachment 2 to Resolution_Debt Service Schedule_Ontario 2021 Water Revenue Refunding Bonds.pdf
ATTACHMENT: Attachment 3 to Resolution_Debt Service Schedule_Ontario 2024 Water Revenue Bonds.pdf

8. AMENDMENT NO. 1 TO THE STADIUM OPERATING AND MANAGEMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND ASM GLOBAL STADIUM MANAGEMENT, LLC

That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Stadium Operating and Management Agreement with ASM Global Stadium Management, LLC (ASM).

ATTACHMENT: Ontario Sports Empire First Amendment and Exhibit A 20260929.pdf
ATTACHMENT: Schedule I - Responsibility_Matrix 20260930.pdf

9. A PROFESSIONAL SERVICE AGREEMENT FOR FILMING AND VIDEO PRODUCTION SERVICES WITH WINDSONG PRODUCTIONS, LLC.

That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Professional Services Agreement with Windsong Productions, LLC for filming and video production services for a three-year term, with the option to extend for two additional one-year terms, in the amount of $922,745, plus a $25,000 contingency, for a combined total not to exceed $947,745.
B. Reject the bid protest from Eleanor, LLC for RFP No. 2009- Filming and Video Production Services as without merit.

ATTACHMENT: PSA Windsong 2026.docx
ATTACHMENT: Windsong- Scope of Services- 2026-29.pdf

10. REAL PROPERTY EXCHANGE AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO-MONTCLAIR SCHOOL DISTRICT

That the City Council adopt a Resolution:

A. Declaring certain City-owned real property to be exempt surplus land;
B. Approving a Real Property Exchange Agreement with Ontario-Montclair School District;
C. Authorizing the City Manager to take all actions necessary with respect thereto; and authorize the City Manager or his designee, to finalize and implement non-substantive revisions to the Exchange Agreement, and execute and implement any and all contracts, agreements, and other documents required to effectuate the Agreement; and
D. Finding that no further California Environmental Quality Act analysis is necessary.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, (I) DECLARING CERTAIN CITY-OWNED REAL PROPERTY TO BE EXEMPT SURPLUS LAND; (II) APPROVING A REAL PROPERTY EXCHANGE AGREEMENT WITH THE ONTARIO-MONTCLAIR SCHOOL DISTRICT; (III) AUTHORIZING THE CITY MANAGER TO TAKE ALL ACTIONS NECESSARY WITH RESPECT THERETO; AND (IV) FINDING THAT NO FURTHER CEQA ANALYSIS IS NECESSARY.

ATTACHMENT: OMSD Real Property Exchange Agreement_01_RESO_RM
ATTACHMENT: OMSD Real Property Exchange Agreement _02.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.

11. A PUBLIC HEARING REGARDING A RESOLUTION APPROVING THE LIST OF PARTICIPATING DEALERS AND A RESOLUTION APPROVING A RESIDENT VEHICLE INCENTIVE PROGRAM (VIP), APPROVING THE TERMS AND PROVISIONS AS PROVIDED IN ITS PARTICIPATION AGREEMENT, APPROVING PROGRAM GUIDELINES, AND APPROVING AN ECONOMIC DEVELOPMENT SUBSIDY REPORT PURSUANT TO CALIFORNIA GOVERNMENT CODE 53083, AND MAKING RELATED FINDINGS

That the City Council take the following actions:

A. Adopt a Resolution approving the list of qualifying dealers in a Resident Vehicle Incentive Program (VIP); and
B. Adopt a Resolution approving the Participation Agreement, the Program Guidelines and, the Economic Development Subsidy Report.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A LIST OF ELIGIBLE DEALERS IN A RESIDENT VEHICLE INCENTIVE PROGRAM, AND MAKING RELATED FINDINGS.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE TERMS AND PROVISIONS OF A RESIDENT VEHICLE INCENTIVE PROGRAM AS PROVIDED IN ITS PARTICIPATION AGREEMENT, APPROVING PROGRAM GUIDELINES, APPROVING AN ECONOMIC DEVELOPMENT SUBSIDY REPORT, AND MAKING RELATED FINDINGS.

ATTACHMENT: Resolution for Eligible Dealers RESO_01_RM
ATTACHMENT: Ontario VIP Participation Agreement Program RESO_02_RM
ATTACHMENT: Ontario VIP Participation Agreement RESO Exhibit A_03
ATTACHMENT: Ontario VIP Program Guidelines RESO Exhibit B_04
ATTACHMENT: Economic Development Subsidy Report RESO Exhibit C_05

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

Mayor Leon
- Campaign Finance Limits Discussion
- Policy Plan Update

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

ADJOURNMENT

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // *(GC 54957.1)*
October 6, 2026

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

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

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

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION Emmanuel Hernandez Contreras, an Individual; Carlos Marmol, an Individual; v. Messiah Villanueva, an Individual; City of Ontario DBA Ontario Police Department, a Public Entity; and, DOES 1 to 100 inclusive; Case No. CIVSB2423399

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

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

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION William Lee Wright v. City of Ontario, DOES 1 to 25, ET AL., inclusive; location Case No. CIVSB2423399

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // *(GC 54957.1)*
October 6, 2026
(Continued)

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

- GC 54956.9 (3)(d) CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION
  Number of cases: One (1) case

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

_____
City Attorney / City Manager / Executive Director

ONTARIO CITY COUNCIL/
ON TARIO HOUSING AUTHORITY
MINUTES
SEPTEMBER 1, 2026
(Not Official Until Approved)

JOINT MEETINGS

The regular meetings of the Ontario City Council and Housing Authority were held on Tuesday, September 1, 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:	Debra Porada
	Council/Authority Members:	Alan D. Wapner, Jim W. Bowman, and Daisy Macias
ABSENT:	Council/Authority Members:	None

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

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Macias.

INVOCATION

The invocation was led by Pastor Richard Hernandez from The Church of God Ontario.

PUBLIC COMMENT

Assistant City Clerk Isbell announced a written comment:
Aiko Yuhara, regarding Sister City Jieyang, China.
Angela Miramontes, written comment regarding Item No. 4.
Brad Neumann, written comment in opposition to Item No. 13.

Mayor Leon called on the speakers:
Sarah Rios, announced Safer Routes to School/National Walk to School Day.
Angie Miramontes, spoke in support of water security and conservation.
Tina Silva, gave a land acknowledgement and expressed Immigration and Customs Enforcement concerns.
Brad Neumann, spoke on his personnel grievance.

Kevin Kizzee, commented on local parks.
Gloria Jones, spoke regarding term and campaign contribution limits.
Chris Robles, spoke regarding term and campaign contribution limits.
Marty McBride, spoke in opposition of local tax measures.
Tommy Mushegain, spoke on various topics.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa offered clarification regarding public comments made.

CONSENT CALENDAR

Public Comment:
Brad Neumann, spoke in opposition to Item Nos. 4 and 13.
Kevin Kizzee, spoke in opposition to Item No. 13.

Mayor Leon stepped out of the chamber at 7:12 p.m. and returned to the dais at 7:13 p.m.

MOTION: Moved by Council Member Macias, seconded by Council Member Bowman and carried by a vote of 5-0, to approve the Consent Calendar as presented with Item No. 13 pulled for a separate vote.

1. APPROVAL OF MINUTES

Approved minutes for the regular meetings of the City Council and Housing Authority of August 4, 2026, and special meetings of the City Council and Housing Authority of August 7, 2026, and approving same as on file in the Records Management Department..

2. BILLS & PAYROLL

Bills August 6, 2026 through August 13, 2026, in the amount of $893,307.25 and Payroll July 26, 2026 through August 8, 2026, in the amount of $6,682,613.67.

3. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH KOA CORPORATION FOR CITYWIDE GRANT WRITING AND GRANT SUPPORT SERVICES

The City Council authorized the City Manager or designee to execute Amendment No. 3 to the Professional Services Agreement with KOA Corporation, for Citywide grant writing and grant support services, extending the term for two additional years through June 30, 2028, and increasing the contract by $400,000, for a revised total not-to-exceed contract amount of $550,000 over a five-year term.

4. A RESOLUTION DECLARING CITY OWNED PROPERTY SURPLUS LAND PURSUANT TO GOVERNMENT CODE 54221, APPROVING THE NOTICE OF AVAILABILITY, AND FINDING THAT SUCH DECLARATION IS EXEMPT FROM ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council adopted a Resolution declaring a portion of the property located at 2200 East Philadelphia Street identified with Assessor's Parcel Number 0113-281-13 as surplus land, approved the Notice of Availability, and finding that such declaration is exempt from the California Environmental Quality Act.

RESOLUTION NO. 2026-141 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, MAKING FINDINGS AND DECLARING, PURSUANT TO GOVERNMENT CODE SECTION 54221, THAT A PORTION OF CERTAIN REAL PROPERTY LOCATED AT 2200 EAST PHILADELPHIA STREET IDENTIFIED WITH ASSESSOR'S PARCEL NUMBER 0113-281-13, IS SURPLUS LAND, APPROVING THE NOTICE OF AVAILABILITY THEREFORE, AUTHORIZING THE CITY MANAGER TO COMPLY WITH THE SURPLUS LAND ACT AND TAKING RELATED ACTIONS, FINDING THAT SUCH DECLARATION IS EXEMPT FROM ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO SECTION 15060(C)(3) OF THE STATE CEQA GUIDELINES AND DIRECTING STAFF TO ISSUE A NOTICE OF EXEMPTION.

5. PROCLAMATION OF SEPTEMBER 2026 AS NATIONAL PREPAREDNESS MONTH

The City Council proclaimed the month of September 2026 as National Preparedness Month in the City of Ontario.

6. 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. 2026-142 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.

7. AUTHORIZE THE SOLE SOURCE PURCHASE OF THREE ZOLL CARDIAC MONITORS FOR FIRE DEPARTMENT SERVICE DELIVERY WITH ZOLL MEDICAL CORPORATION

The City Council authorized the City Manager, or his designee, to approve the purchase of three cardiac monitors, associated accessories from ZOLL Medical Corporation of Chelmsford, MA, for Ontario Fire Department expanded services in an amount not to exceed $164,435.

8. GOODS & EQUIPMENT AGREEMENT WITH CLIFF GARTEN AND ASSOCIATES, INC. FOR THE CITY SERVICES PERMANENT PUBLIC ART

The City Council authorized the City Manager, or his designee, to execute a Goods & Equipment Agreement with Cliff Garten and Associates, Inc. of Venice, California for the site-specific permanent public art located at the City Services Building for a total not-to-exceed agreement amount of $206,000.

9. A GOODS AND SERVICES AGREEMENT WITH SENTRI PREMIER UNIFORMS, LLC FOR POLICE UNIFORMS AND ALTERATION SERVICES

The City Council authorized the City Manager, or his designee, to execute a Goods and Services Agreement with Sentri Premier Uniforms, LLC, of Rancho Cucamonga, California, for the supply of professional police uniforms and alteration services for a total not-to-exceed $476,932.

10. AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH GRISWOLD INDUSTRIES, DBA CLA-VAL COMPANY, FOR ON-CALL MAINTENANCE SERVICES OF AUTOMATIC HYDRAULIC CONTROL VALVES

The City Council authorized the City Manager, or designee, to execute Amendment No. 2 to the Maintenance Services Agreement with Griswold Industries, DBA Cla-Val Company, of Perris, California, for on-call maintenance services for the City's Cla-Val Hydraulic Control Valves in the amount of $225,000 ($75,000 for FY 2026-27, $75,000 for FY 2027-28 and $75,000 for FY 2028-29) for a revised new total not-to-exceed aggregate amount of $374,999 and a term extension to June 30, 2029.

11. AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH TESS ELECTRIC, INC., FOR ON-CALL MAINTENANCE OF ELECTRICAL SYSTEMS AT CITY WATER FACILITIES

The City Council authorized the City Manager, or designee, to execute Amendment No. 3 to the Maintenance Services Agreement with Tess Electric, Inc., of Riverside, California, for on-call maintenance services of the City’s water facilities electrical systems in the amount of $100,000 ($50,000 for FY 2026-27 and $50,000 for FY 2027-28) for a revised new total not-to-exceed aggregate amount of $248,500, and a term extension to June 30, 2028.

12. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH KLEINFELDER, INC., FOR THE LAUREL SEWER MAIN IMPROVEMENTS, NOCTA STREET SEWER MAIN IMPROVEMENTS, AND NOCTA STREET PRIVATE SEWER LATERAL IMPROVEMENTS

The City Council authorized the City Manager or his designee, to execute Amendment No. 12 to the Professional Services Agreement with Kleinfelder, Inc., of San Diego, California, to provide geotechnical and material testing services for the Laurel Avenue Sewer Main Improvements, Nocta Street Sewer Main Improvements, and Nocta Street Private Sewer Lateral Improvements in the amount of $81,756 for a new total revised not-to-exceed amount of $3,360,674 and term of March 7, 2023 to February 7, 2028.

ITEM PULLED: Council Member Wapner pulled the item for separate discussion.

13. APPROVAL OF THE FIVE-YEAR MOBILE HOME PARK ACCORD

The City Council discussed and approved a five-year Mobile Home Park Accord between the City of Ontario and participating owners of mobile home parks within the City of Ontario.

MOTION: Moved by Council Member Wapner, seconded by Council Member Macias to approve the Mobile Home Park Accord.

PUBLIC HEARINGS

14. A PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDING CHAPTER 8A OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATED TO THE WATER CONSERVATION PLAN

The City Council introduced and waived further reading of an Ordinance amending Chapter 8A of Title 6 of the Ontario Municipal Code related to the Water Conservation Plan.

ORDINANCE NO. 3340 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 8A, OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATING TO THE CITY'S WATER CONSERVATION PLAN.

Notice of public hearing was duly given and affidavits of compliance are on file in the Records Management Department. There was one written communication from Angela Miramontes, in favor.

Mayor Leon opened the public hearing and inquired whether any person present wished to speak to the item. Hearing no one, Mayor Leon closed the public hearing and opened the item for discussion.

MOTION: Moved by Council Member Bowman, seconded by Mayor pro Tem Porada, carried by a vote of 5-0, to introduce Ordinance No. 3340.

15. A PUBLIC HEARING TO CONSIDER A RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BY AND BETWEEN THE CITY OF ONTARIO AND ARCHIBALD PROPERTY, LLC.

The City Council adopted a Resolution authorizing the City Manager to execute a Purchase and Sale Agreement ("PSA") and Joint Escrow Instructions, 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.

RESOLUTION NO. 2026-143 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE CITY OF ONTARIO AND ARCHIBALD PROPERTY, LLC, FOR THE PURCHASE OF CERTAIN REAL PROPERTY LOCATED AT 2350-2360 EAST INLAND EMPIRE BOULEVARD, ONTARIO.

Notice of public hearing was duly given and affidavits of compliance are on file in the Records Management Department. There was one written communication from Angela Miramontes.

Council Member Macias left the chamber at 7:21 p.m. and returned to the dais at 7:23 p.m.

Mayor Leon opened the public hearing and called on the speakers:
Chris Robles, in opposition.
Brad Neumann, in opposition.
Kevin Kizzee, made comments.
Jesse Fonseca, was not present when called upon.

Hearing no one else wishing to speak, Mayor Leon called on City Manager Ochoa to provide background information. Executive Director of Economic Development, Jennifer Hiramoto McLain provided a brief presentation regarding the project, after which Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Mayor pro Tem Porada, seconded by Council Member Bowman, carried by a vote of 5-0, to adopt Resolution No. 2026-143.

STAFF MATTERS

City Manager Ochoa had no comments.

COUNCIL MATTERS

Mayor Leon spoke on potential City reforms.

Council Member Macias acknowledged contribution of local labor unions.

Council Member Bowman asked Staff to review the current Development Code.

Mayor pro Tem Porada made no comments.

Council Member Wapner made no comments.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 7:54 p.m.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Planning Prepared By: Jamie Richardson Department: Prepared By: Jamie Richardson Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 3

SUBJECT: **A PROFESSIONAL SERVICE AGREEMENT WITH PLACEWORKS, INC. FOR THE PLANNING AND ENVIRONMENTAL SERVICES FOR THE HOSPITALITY MASTER PLAN AND ASSOCIATED CEQA DOCUMENTATION**

RECOMMENDATION: Authorize the City Manager, or his designee, to execute a Professional Service Agreement not to exceed $1,718,441 with PlaceWorks, Inc., of Santa Ana, for the preparation of a comprehensive Hospitality Master Plan and associated environmental clearance.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: The proposed Professional Services Agreement with PlaceWorks, Inc., of Santa Ana, California, is in the amount of $1,263,590, plus a 10% contingency of $126,359 and optional associated tasks of $328,492, for a total authorized expenditure of $1,718,441 to prepare a comprehensive Hospitality Master Plan and associated environmental clearance. If approved, appropriations will be included in a future budget update and Annual Budgets to the City Council for approval as needed.

BACKGROUND & ANALYSIS: The City of Ontario is preparing a comprehensive Hospitality Master Plan and related environmental clearance for the Guasti/Multimodal and Convention Center Hospitality Districts. The planning area includes the Ontario Convention Center and its proposed future expansion; the surrounding developed areas, which feature a mix of commercial, hotel, and business park uses; the Multimodal Mixed-Use Area; and the Guasti Mixed-Use/Specific Plan Area. The approximate boundaries extend from the I-10 Freeway on the north to Turner Avenue on the east, the Southern Pacific Railroad and Ontario International Airport on the south, and Corona Avenue on the west. The Hospitality Master Plan process will be completed in four sequential stages, with each stage building upon the previous one as portions of the total $1,718,441 in funding are appropriated. The process will progress from analysis and visioning through environmental clearance, implementation, and final adoption.

In October 2024, the Community Development Agency (CDA) issued a Request for Qualifications (RFQ) to establish a list of prequalified consultants for environmental, architectural, urban design, and landscape architecture services. In January 2025, the CDA established a list of 31 qualified consultants, through RFQ #1853. Given the specialized scope and tight schedule, the Planning Department identified the two firms from the prequalified list that had the most relevant experience and the capacity to complete the work on time. After reviewing the proposals, the Department selected PlaceWorks, Inc. to prepare the Hospitality Master Plan and associated Environmental Impact Report. The PlaceWorks team's experience and qualifications best demonstrated its ability to fully address the project's scope of work.

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

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 Placeworks, Inc., a California Corporation, with its principal place of business at 3 MacArthur Place, Suite 1100, Santa Ana, CA 92707 ("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 Environmental / Planning consulting 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 Hospitality Master Plan 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 environmental / planning consulting services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **October 6, 2026** to **October 6, 2029**, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than two (2) additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Compensation.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **one million five hundred ninety-two thousand eighty-two dollars ($1,592,082**) 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: Colin Drukker, Principal-in-Charge and Halley Grundy, Project Manager.

3.3.5 City's Representative. The City hereby designates Henry Noh, Planning Director, 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 Colin Drukker, Principal, 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: Placeworks, Inc.
3 MacArthur Place, Suite 100

Santa Ana, CA 92707
ATTN: Colin Drukker, Principal

City: City of Ontario
303 East "B" Street
Ontario, CA 91764
ATTN: Henry Noh, Planning 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.

3.7.4 Ownership of Materials and Confidentiality.

3.7.4.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of City, and shall not be used in whole or in substantial part by Consultant on other projects without the City's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to City reproducible copies of all Documents & Data, in a form and amount required by City. City reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by City at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to City upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to City any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.7.4.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the City.

3.7.4.3 Right to Use. City shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at City's sole risk. If City uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such

other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the City upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

3.7.4.4 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.7.4.5 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.7.4.6 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the release notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

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

3.7.6 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.7.7 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

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

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

3.7.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

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

3.7.12 Assignment or Transfer. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Consultant shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

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

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

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

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

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

in full force and effect.

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

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

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

3.7.21 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT

BETWEEN THE CITY OF ONTARIO AND

PLACEWORKS, 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

PLACEWORKS, 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

(Document to follow this page)

June 2, 2026

David F. Eoff, IV

Principal Planner

CITY OF ONTARIO | Planning Department

303 E. B Street

Ontario, CA 91764

Subject: Proposal for Planning and Environmental Services for TOP Multi-Modal Guasti District Master Plan and Associated CEQA Documentation [P2026-0516S]

Transmitted via Email: DEoffIV@ontarioca.gov

Dear Mr. Eoff:

As demonstrated in this proposal, we believe PlaceWorks brings the ideal, enthusiastic team to prepare the Master Plan and EIR. **PlaceWorks**' **Colin Drukker** will be Principal-in-Charge, **Halley Grundy** will be the Project Manager and the primary day-to-day contact for this project, and **Nicole Vermilion** with be CEQA Project Manager. Both Halley and Nicole have led several similar, large-scale EIRs in the City, including the recent Ontario Policy Plan Amendment (Nicole and Halley) and the Ontario Regional Sports Complex EIR (Nicole). Halley and Nicole will be supported by our technical team, including **Steve Gunnells** for economics, **Lance Park** for Air Quality, GHG, and Energy; **Chris Shields** INCE-USA for Noise; and **Steve Bush** PE and **Dina El Chammas-Gass** PE/QSD for the Water Supply Assessment/Water Supply Evaluation, Hydrology, Utilities, and Hazards. We have teamed with **Studio One Eleven** for Urban Design; **Fehr & Peers** for Transportation, Traffic, and Parking related services; and **South Environmental** for Biological, Archeological, Paleontological and Historic Resources.

The current schedule anticipates project initiation in late June 2026, with planning, environmental review, and implementation work extending into August 2027. The proposed budget and schedule reflect an accelerated effort designed to deliver a high-quality, actionable Master Plan, implementation strategy, and development standards based on our current understanding of the project and the information provided by staff. We recognize that the City may have specific priorities, expectations, or constraints that could influence the scope, schedule, and budget. Our team would welcome the opportunity to meet with City staff to refine the work program and ensure the final scope, schedule, budget, and deliverables are appropriately aligned with the City's goals for the project.

Understanding of the Project

The City of Ontario is seeking to prepare a comprehensive Master Plan and associated environmental clearance for a district that includes four interconnected subareas: the Ontario Convention Center and planned convention center hotel, the developed areas surrounding the Convention Center, the Multimodal Mixed Use Area, and the Guasti Mixed Use/Specific Plan Area. While each subarea presents unique

opportunities and constraints, their proximity to Ontario International Airport (ONT) and their collective role in the City's economic future create an opportunity to plan them as a coordinated district.

This effort builds upon more than fifteen years of planning work dating back to the original 2010 Ontario Plan and continuing through The Ontario Plan 2050. Throughout these planning efforts, the City explored ways to better connect and integrate the area extending from the Convention Center toward Ontario Mills and the airport into an aerotropolis. While these plans established a compelling long-term vision, airport height limitations and, more importantly, economic conditions following the 2008–2009 recession constrained implementation.

Today, Ontario has an opportunity to revisit and advance that vision. The proposed Convention Center expansion, new parking structure, planned luxury hotel, continued airport growth, and ongoing private investment interest create favorable conditions to once again evaluate how this district should evolve, intensify, and contribute to the City's long-term economic development objectives. At the same time, the Master Plan must recognize the inherent constraints of the area—including airport operations, aviation compatibility requirements, existing development patterns, infrastructure considerations, and market realities to identify strategies that work within those constraints.

We understand that the success of this effort depends on more than the preparation of development standards. The planning process must first develop a clear understanding of the district's existing conditions, opportunities, and barriers to change. It must then confirm or update the current vision for the district by answering fundamental questions about its future role within Ontario. What experiences should this district provide? What role should it play relative to Downtown Ontario, Ontario International Airport, Ontario Mills and Toyota Arena, and the Sports Empire districts? What mix of visitor-serving, entertainment, hospitality, employment, residential, and supporting uses is appropriate? How intense should development be (within airport limitations)? What parking strategies are feasible? What public realm and mobility improvements are necessary to create the desired experience?

Once the vision is confirmed, the Master Plan must identify the barriers currently preventing the City and the private sector from realizing that vision. These barriers may include land use and zoning regulations that do not permit desired uses or development intensity; parking requirements or development standards that make redevelopment infeasible; fragmented ownership patterns; infrastructure constraints; airport compatibility requirements; market conditions; historic preservation considerations; or other issues identified through the planning process. Understanding these barriers is critical because meaningful implementation depends on addressing the underlying causes that have limited reinvestment in the past.

The Convention Center area exemplifies this challenge. The City is already making substantial public investments through the Convention Center expansion, parking structure, and hotel development. However, much of the surrounding area could be repositioned to better capitalize on these investments. The Master Plan must evaluate how this area can evolve into a district that complements the City's investments and identify conditions that would facilitate private investment, while ensuring the overall strategy synergizes with other mixed-use districts such as the Ontario Mills/Toyota Arena and Downtown.

Similarly, the Multimodal Mixed Use area presents a significant redevelopment opportunity as existing industrial uses approach the end of their economic lifecycle. The City is already undertaking market and design studies focused on hotel development within this area; however, a comprehensive vision and development standards have not yet been established. The Master Plan will build upon prior visioning work

from The Ontario Plan, incorporate the findings of ongoing market and design efforts to establish an updated framework for land use, development intensity, mobility, and public realm improvements. The planning effort will also revisit the long-envisioned multimodal transportation hub and explore opportunities to improve connections within the district, throughout the City, and across the region.

The Guasti Mixed Use area presents a different set of challenges. The area includes the historic Guasti site and is currently governed by the Guasti Specific Plan and subsequent amendments (most recently amended in 2011). While some development has occurred within portions of the Specific Plan area, the historic district itself has remained largely unchanged for nearly two decades. We understand that a successful planning effort must identify the underlying reasons why redevelopment has not occurred. These barriers may include market realities, cost of historic preservation, ownership constraints, and other factors. The Master Plan and implementation strategy will evaluate these conditions and identify practical pathways toward redevelopment, adaptive reuse, and long-term transformation of the site.

Overall, this Master Plan represents an opportunity for the City to capitalize on public and private investments and chart a new course for the overall district. This Master Plan must communicate a vision that is ambitious and inspiring while also being grounded in market realities to spur real change. This proposal presents an effort and a team that matches the City's ambition.

Project Approach

The planning process is organized into four sequential stages that build upon one another, moving from analysis and visioning through implementation and adoption.

- Stage 1 — Understand Context + Confirm Vision (Tasks 2 & 3). The first stage establishes the analytical and visioning foundation for the project. The PlaceWorks team will conduct a focused opportunity assessment of existing conditions, identify constraints and barriers to reinvestment, and evaluate comparable districts to build a shared knowledge base. Drawing on this analysis and early stakeholder engagement, the team will develop issues statements, an overarching district vision, and subarea aspiration statements. These products define the desired outcomes of the Master Plan and direct all subsequent planning and design work.
- Stage 2 — Identify Barriers + Develop and Refine Alternatives (Task 4.1 and early CEQA). To support the accelerated schedule, the team anticipates preparing a preliminary framework plan and development program/statistical summary during the initial phase of alternatives development. This framework will establish the land-use, development intensity, mobility, and infrastructure assumptions needed to define the project description and initiate the environmental review. Environmental studies will then proceed concurrently with alternatives refinement and Master Plan development, allowing the planning, design, implementation, and CEQA efforts to inform one another throughout the process. This approach carries some risk and is less flexible than waiting to initiate environmental review until a preferred alternative has been selected, as subsequent changes must generally remain within the assumptions established by the initial framework. However, it represents the most efficient path to completing the project within the desired timeframe. Following the initiation of Environmental review, the team will continue to prepare up to two master plan alternatives at a level of detail sufficient to test ideas and support stakeholder and public engagement ahead of the Notice of Preparation (NOP) and public scoping meeting, which will also serve as an open house focused on alternatives. Alternatives explored during this phase may be

included in the EIR alternatives section, while the preferred alternative developed in the next stage will constitute the proposed project and will remain within the envelope established by the project description early in this stage.

- Stage 3 — Preferred Alternative + Implementation Framework (Tasks 4.2, 4.3, and 5). The third stage advances a preferred alternative into a complete, implementable district plan. Informed by stakeholder and public input gathered during alternatives review, the team will refine the preferred direction into an integrated planning framework encompassing land use, mobility, public realm, and development standards. The Preferred Alternative serves as the basis for the Master Plan document, which will be prepared as a cohesive, graphically rich document. Concurrent with master plan preparation, the team will develop an implementation strategy that identifies barriers, recommends specific actions to overcome them, establishes realistic timeframes and sequencing for public and private investment, and prepares any needed Policy Plan amendments, zoning updates, or development standards. The Administrative Draft Environmental Impact Report (EIR) is prepared during this stage.
- Stage 4 — Environmental Review + Adoption (CEQA and hearings). The fourth stage completes the environmental review process and advances the project through adoption. The team will finalize the Draft EIR for public review, prepare responses to comments, and complete the Final EIR, Mitigation Monitoring and Reporting Program (MMRP), Findings of Fact (FOF), and Statement of Overriding Considerations (SOC) as required. The PlaceWorks team will support City staff at Planning Commission and City Council hearings and complete post-adoption actions, including final mapping and file turnover.

Stakeholder input will be critical to the project. The City will lead this effort, engaging property owners, businesses, residents, and other community members with an interest in the district's future. In Stage 1, stakeholder interviews are expected to build understanding of the planning process and illuminate local knowledge and priorities to inform the opportunity framework and vision. During Stage 2, stakeholder outreach is anticipated throughout the development of alternatives to generate input on the preferred direction and design ideas. Input gathered through this process will directly inform the issues statements, vision statement, aspirations, opportunity framework, alternatives, and preferred plan, ensuring that the framework reflects both the City's strategic goals and the values of those who live, work, and invest in the district.

The City will also lead a strategic public engagement program. The scope envisions this effort as centered around two meetings. The first will focus on project alternatives and environmental scoping, and the second will present the master plan and draft environmental impacts during the public review period. While the City will lead these efforts, the scope provides the City with meeting and graphic support. To ensure accessibility, the Notice of Preparation (NOP) and public engagement materials created by the PlaceWorks team will be available in English and Spanish. Revisions to this plan can be discussed with the City team.

The scope supports development of a focused and implementable planning framework that delivers a unified vision for the district, provides a roadmap for implementation, and establishes zoning standards to facilitate near- and mid-term development opportunities consistent with that vision. This is achieved within an accelerated project schedule by focusing existing conditions evaluations on items critical to design decisions, overlapping design development and environmental review, compressing review and revision time frames, and maintaining an aggressive deliverables timeline. Delays in data, parallel work efforts, City-led efforts, or unforeseen project needs may result in schedule adjustments.

Scope of Work

TASK 1. PROJECT KICK-OFF AND ALIGNMENT

Task 1 will establish project objectives, coordination procedures, planning assumptions, and integration with concurrent convention center, hotel, transit, infrastructure, and environmental review efforts.

The PlaceWorks Team will:

- Conduct a kick-off meeting with City staff.
- Confirm project goals, assumptions, deliverables, and milestones.
- Refine the project scope, schedule, and communication procedures.
- Establish a coordination process with concurrent convention center, hotel, transit, operational, and infrastructure planning efforts.
- Confirm available background documents, studies, and concurrent work products relevant to the project area.
- Establish a base map for the District that can be used for analysis and design work.

Deliverable(s):

- Kick-off Meeting Summary
- Refined Project Schedule
- Project Area Basemap

Assumptions:

City will: (1) provide available background documents, GIS data, studies, operational plans, and technical materials; (2) identify City staff representatives and key decision-makers to be included as stakeholders; (3) coordinate access to concurrent planning, design, and technical study outputs; and (4) consolidate and provide comments on draft deliverables.

TASK 2. OPPORTUNITY ASSESSMENT

Task 2 is intended to evaluate existing district conditions to identify constraints, opportunities, and locations where the most significant potential for change exists. This task provides the analytical foundation for subsequent planning and design work, and represents a focused effort to identify the critical information to move the project and design work forward within the project schedule.

Task 2.1 Opportunity Analysis

Task 2.1 is intended to document existing conditions across land use, mobility, district character, infrastructure, and economics to identify key issues, constraints, and opportunities within the project area.

The PlaceWorks Team will evaluate and catalog conditions across the following areas:

Land Use

- Existing land uses, development patterns, and underutilized sites.
- Current zoning, Policy Plan framework, Airport Land Use Compatibility Plan, and Specific Plans.

- Planned and parallel design projects within the Master Plan area (convention center expansion, hotel planning, multimodal hotel concepts).

Mobility

- Vehicular circulation, access, and parking conditions.
- Parking.
- Pedestrian, bicycle, transit, and multimodal connectivity.
- Current and planned event operations and airport access requirements.
- Concurrent transit and multimodal planning efforts.

District Character and Placemaking

- Urban form, district character, visitor experience, and public realm conditions.
- Historic/cultural resource context.

Infrastructure

- Utility constraints and opportunities relevant to future development.

Economics

- Review of studies and other reports already prepared by the City, Airport, GOCAL, and other stakeholders, if available.
- Review of leasing trends within the district, if data is available.
- Qualitative summary of current market conditions.

The team will also summarize barriers to reinvestment, potential opportunity areas, and subarea-specific planning considerations emerging from the existing conditions analysis to inform stakeholder engagement and subsequent tasks.

Deliverable(s):

» Opportunities and Constraints Maps and Summary (PPT or PDF)

Task 2.2 Opportunity Framework

Task 2.2 will synthesize findings from Task 2.1 and Phase I stakeholder input (Task 6.1.1) into a spatial framework that identifies where and when change is most feasible, desirable, and impactful, giving the City and project team a shared geographic foundation for evaluating investments and phasing strategies.

The PlaceWorks Team will develop an Opportunity Framework that categorizes subareas, corridors, and sites based on their potential for change and likely timing. The framework will identify:

- Development sites with near-, mid-, and long-term reinvestment potential.
- Key corridors and connections (pedestrian, transit, vehicular).
- Gaps in public realm, amenities, or land use mix.
- Constraints, including infrastructure limitations, ownership patterns, and environmental conditions.

Deliverable(s):

» Draft and Final Opportunity Framework Map (mapped by near-, mid-, and long-term opportunity time frames)

Assumptions: Task 2

City will: (1) provide available planning documents, technical studies, operational materials, infrastructure information, economic reports and studies, and CoStar data to inform economic analysis; (2) coordinate access to event operations plans and circulation studies, if available; (3) coordinate access to City staff and results of prior and concurrent redevelopment efforts; (4) initiate and complete City-led stakeholder engagement within the identified time frame; (5) Task 6.1.1 stakeholder input will be incorporated into task 2.1 deliverables if available and required to inform Task 2.2 deliverables. If stakeholder engagement under task 6.1.1 is delayed or does not provide the desired information, the PlaceWorks team will work with City staff to determine the appropriate path forward, which may include delaying the project schedule.

TASK 3. VISION

Task 3 will establish a shared vision for the District. This task is intended to define the desired outcomes of the Master Plan and the aspirations that will guide planning and investment decisions across the project area and its subareas. Drawing on Task 2 findings and early stakeholder engagement (Task 6.1.1), Task 3 translates identified issues, barriers, and opportunities into a clear statement of purpose and desired change to direct subsequent Master Plan work.

Task 3.1 Comparative District Analysis

Task 3.1 is intended to build a shared knowledge base of comparable precedent districts to ground the planning process in real-world evidence—helping the project team and City identify strategies that have worked elsewhere and apply relevant lessons to the Ontario context.

The PlaceWorks Team will evaluate comparable convention, entertainment, hospitality, transit-oriented, and mixed-use districts. This work will be developed concurrently with Phase I stakeholder outreach so emerging engagement themes can focus the analysis. Topics will include:

- Successful development patterns
- Public realm and placemaking strategies
- Visitor-serving uses and amenities
- Mixed-use and transit-oriented development approaches
- Role of residential development in comparable districts
- Shared parking precedent
- Redevelopment and reinvestment strategies
- District positioning and identity

Potential case study districts may include: Irving Convention District, Sacramento Downtown Commons (DOCO), Arlington Entertainment District, Downtown Bellevue Convention District, Milwaukee's Baird Center, and/or others identified in coordination with City staff and stakeholders.

Deliverable(s):

» Draft and Final Comparative District Analysis Case Study Matrix

Task 3.2 Vision Statements

The purpose of this task is to synthesize analysis and stakeholder input into a clear statement of issues and aspirations for each subarea, an overarching district vision statement, and subarea aspiration statements that will guide Master Plan development.

Informed by Tasks 2.1, 2.2, 3.1, and initial stakeholder input (Task 6.1.1), the PlaceWorks Team will prepare:

- Issues statements for each subarea, identifying the key issues to be addressed through the master plan.
- An overarching district vision statement defining the envisioned role of the District within the City.
- Subarea aspiration statements describing future uses, mobility priorities, and role/character for each subarea.

Findings will be text based and may be supported by precedent imagery and/or maps as appropriate.

Deliverable(s):

- » Draft and Final Subarea Issues Statements
- » Draft and Final District Vision Statement
- » Draft and Final Subarea Aspiration Statements

Assumptions Task 3:

City will: (1) review and provide direction on preferred case study districts; and (2) Task 3.2 assumes completion of Tasks 2.1, 2.2, and 3.1 and availability of Phase I stakeholder input (task 6.1.1) prior to finalization.

TASK 4. MASTER PLAN DEVELOPMENT

Task 4 will translate the Opportunity Framework, vision statement, and subarea aspirations into a spatially specific Master Plan that guides land use, mobility, public realm, and development decisions across the project area. The Master Plan will establish a clear framework for near-, mid-, and long-term investment and change developed in close coordination with concurrent environmental review efforts.

Studio One Eleven (Studio 111) will serve as the primary urban designer, bringing experience from the West Euclid PUD in Downtown Ontario as well as master planning work in Guasti and at the Ontario Regional Sports Park. PlaceWorks will serve as the primary point of contact and will coordinate closely with Studio 111 throughout. The teams have an established working relationship through previous successful efforts, such as the Long Beach Downtown Shoreline Vision Plan and Fox Hills Specific Plan in Culver City.

Task 4.1 Conceptual Alternatives

Task 4.1 is intended to translate the vision and subarea aspirations into conceptual master plan alternatives, exploring network, land use, and development scale together. The task generates framework concepts that pair circulation/network ideas with land use and development intensity assumptions for review and feedback on possibilities from City staff. From these conceptual options, a preliminary framework will be established to provide a project description sufficient to kick off the traffic analysis and CEQA review—the critical-path milestone—while remaining broad enough to encompass more detailed studies for development alternatives.

Building on the Opportunity Framework (Task 2.2), subarea issues and aspiration statements (Task 3.2), and informed by the existing conditions analysis (Task 2.1), this task includes:

- Develop sketch-level framework concepts for the district subareas that illustrate alternative circulation and network concepts (including potential new street connections, block structure, and key district and airport-edge connections), associated land use and development intensities, and preliminary public realm, open space, and mobility connection ideas. This step includes a focused evaluation of site-specific constraints and opportunities, scoped to the minimum necessary to arrive at a reasonable land distribution pattern. City staff review of the framework concepts will occur as direct input during a workshop / study session (anticipated to be in person) with a variety of department staff, including Planning and Economic Development, as well as participation from GOCAL and the Ontario Airport if feasible.
- Refine the sketch concepts into a preliminary framework that establishes the development envelope needed to initiate CEQA. To ensure the network is not foreclosed prematurely, the preliminary framework may define the analyzed roadway network as a composite of possible options, and may express land use as ranges or a maximum-case scenario, consistent with the parameters CEQA requires for roadway and land use assumptions. This preliminary framework provides the project description that kicks off the traffic analysis midway through the task.
- Develop up to two master plan alternatives that illustrate meaningful differences in approach. Each alternative will be developed to fit within the maximum development envelope so that the eventual preferred alternative remains consistent with the traffic analysis and CEQA project description. Each alternative will be developed at a level of detail sufficient to support stakeholder and public engagement (Tasks 6.1.2 and 6.2, Meeting 1) and to inform selection of a preferred direction, and will include an overall master plan diagram for the district, illustrated plan or aerial massing diagrams for each subarea to convey intended character and development form, and sketch-level views to illustrate character (up to six sketch views in total).

Deliverable(s):

- Facilitation of one workshop / study session (up to 2 hours) with City staff (anticipated in person) to review and receive feedback on framework concepts
- Preliminary Framework Plan (slide-based presentation deck)
- Land use summary to inform the CEQA Project Description
- Up to two master plan alternatives (slide-based presentation deck)

Assumptions Task 4.1:

City will provide direction on acceptable parameters for roadway and land use assumptions; Alternatives will be prepared at a planning and programmatic level and will not include parcel-specific entitlement design, detailed engineering, architectural design, or development standards.

Task 4.2 Preferred Alternative

Task 4.2 will refine or choose between the master plan alternatives, establishing a preferred plan. This task resolves the major land use, mobility, public realm, and development framework decisions necessary to advance the planning process into a cohesive and implementable district plan.

Building on Task 4.1 and informed by stakeholder and public input (Tasks 6.1 and 6.2) received during alternatives review, the PlaceWorks Team, in coordination with Studio One Eleven, will refine the preferred direction into an integrated planning framework for the district. The Preferred Alternative will include refined land use and activity-node articulation; a refined circulation and connectivity framework (high-level roadway, pedestrian, bicycle, transit, and access concepts); streetscape, public realm, open space, and placemaking concepts; identification of catalyst opportunity sites and priority reinvestment areas; planning-level urban design direction sufficient to illustrate intended district character and development form; and refined near-, mid-, and long-term phasing assumptions. The Preferred Alternative will serve as the framework for preparation of the Draft Master Plan document and associated implementation recommendations.

Deliverable(s):

» Draft and Final Preferred Alternative presented as a slide-based deck (consistent in format with the Task 4.1 alternatives, with one round of City input on the draft deck.)

Assumptions Task 4.2:

City direction regarding the preferred alternative will be provided within an agreed time frame following alternatives review. The Preferred Alternative will be prepared at a planning and programmatic level and will not include parcel-specific entitlement design, detailed engineering, architectural design, or development standards.

Task 4.3 Master Plan Document

The purpose of this task is to organize the Preferred Alternative into a cohesive, graphically rich Master Plan document that communicates the long-term vision, planning framework, and implementation direction for the project.

Based on the Preferred Alternative developed under Task 4.2, the PlaceWorks Team will prepare a Draft Master Plan document that establishes a clear and implementable framework for future land use, mobility, public realm, placemaking, and reinvestment efforts within the district. The document may include:

- Planning context, project purpose, and district vision.
- The preferred land use and development framework.
- The mobility and circulation framework.
- The public realm, open space, and placemaking framework.
- Subarea-specific planning direction and character guidance.
- Catalyst opportunity sites and strategic reinvestment areas.
- Up to 3 renderings as well as precedent imagery.
- A near-, mid-, and long-term phasing framework.

The document will emphasize visual communication tools to clearly convey the intended planning and urban design outcomes for the district, and this task includes coordination with the environmental team to ensure consistency between the Master Plan and CEQA documentation.

Deliverable(s):

» Admin Draft and Public Review Draft Master Plan document

» Final Master Plan

Assumptions Task 4.3:

The Master Plan will be prepared as a planning-level policy and visioning document intended to guide future implementation efforts. The document will not include detailed engineering design, construction documents, parcel-specific entitlement plans, or the establishment/revision of a specific plan, unless separately authorized. Development standards developed under Task 5 may be integrated into the master plan, in the city's development code, or established as a separate document. One consolidated round of City review and revision is assumed for the master plan document. Deliverables will be prepared consistent with applicable accessibility requirements, including WCAG processing under Task 11.2.

Task 4.4 3-D Base Model and Site Verification

Task 4.4 will complement the Opportunity Analysis prepared under Task 2.1. The team will conduct a site visit of the project area and prepare a planning-level 3-D base model using available GIS and aerial data. The model will support alternative development, massing studies, renderings, and other Master Plan graphics.

Deliverable(s)

» Planning-Level 3-D Base Model

Task 4.5 Design Project Management, Kick-Off Meeting, and Peer Review

The Design project manager will coordinate the design process in close coordination with the planning and environmental teams. This includes participation in task 1 and review and comment on deliverables identified in tasks 2, 3, and 5 to ensure the approach and outcomes are coordinated with the design work. This task also includes managing the design team's scope, schedule, and deliverables; coordinating with the PlaceWorks team staff on design milestones; and ensuring design work products are integrated with the district environmental effort. Our cost estimate is based on the estimated \ schedule with 6 months of design-intensive work, during which the Design PM will attend weekly meetings.

TASK 5. IMPLEMENTATION FRAMEWORK

Task 5 will translate the Master Plan into an actionable implementation roadmap and prepare the near-term policy and regulatory changes needed to begin implementing the plan.

The implementation strategy will be a critical component of the project. It will establish a realistic roadmap for implementation by identifying barriers, recommending actions to address those barriers, assigning likely timeframes, and sequencing future public and private investments. Where land use regulations or zoning standards are identified as barriers, the scope includes preparation of Policy Plan amendments, zoning updates, development standards, and other implementing tools needed to support the preferred vision, it should be noted, however, that updates to the Guasti Specific Plan or the establishment of alternative zoning options for the Guasti Mixed-Use area would require considerably more time to develop due to the necessary evaluation of historic resources on the site. These tasks have been included as optional tasks and would add 4-6 months to the project schedule. Due to the increased timeframe, the project management fees would also increase.

Task 5.1 Implementation Strategy

The purpose of this task is to identify the policy, regulatory, and environmental steps required to realize planned changes within the project area and sequence them to ensure the right level of planning work is done at the right time.

Building on the Master Plan's phasing framework and subarea land use recommendations, the PlaceWorks Team will evaluate the existing policy and regulatory environment and recommend an implementation approach. The strategy will address:

- Policy Plan Land Use Designations: Identify where General Plan or Specific Plan designation changes are needed and recommend whether amendments are best pursued individually, by subarea, or comprehensively—timed to align with development readiness and environmental review.
- Zoning: Identify zoning changes required to implement the Master Plan, including modified use permissions, development standards, and form-based or design overlay considerations; recommend a sequencing approach that prioritizes near-term opportunity areas.
- Sequencing and Prioritization: Organize recommended implementation actions into near-, mid-, and long-term time frames, identifying dependencies, decision points, and opportunities to bundle or streamline actions.

Deliverable(s):

» Draft and Final Implementation Strategy (implementation table with supporting maps)

Task 5.2 Policy Plan and Zoning Updates

Task 5.2 is intended to prepare the specific policy and regulatory amendments identified in Task 5.1 as near-term priorities.

Subtask 5.2.1 Policy Plan Updates

Task 5.2.1 covers the Policy Plan amendments needed to align land use designations and community design standards with the Master Plan. The PlaceWorks Team will:

- Policy Plan Land Use: Identify and update, if needed, the appropriate land use designations to implement the Master Plan vision, consistent with Task 5.1 outcomes.
- Policy Plan Community Design Place Type: Update the mixed-use district place type governing urban design outcomes within the Multimodal/Guasti district, and consider expanding the place type to include the Convention Center, if appropriate.
- Assess if other elements of the Policy Plan require revisions and provide amendments.

Deliverable(s):

» Admin Draft and Public Review Draft Policy Plan Amendments
» Final Policy Plan Amendments

Subtask 5.2.2 Zoning Updates

Task 5.2.2 covers the zoning changes needed to implement the Master Plan land use vision at the parcel level. The PlaceWorks Team will:

- Zoning Tools: Identify appropriate base zones, overlay zones, or special district designations to implement the Master Plan land use vision, consistent with Task 5.1 outcomes.
- Zoning Ordinance: Prepare a Planned Urban Development ordinance or development standards for an alternative zoning mechanism consistent with the Master Plan and Task 5.1 strategy.

Deliverable(s):

» Admin Draft and Public Review Draft development standards (format TBD)
» Final development standards

Assumptions Task 5.2:

City will: (1) provide direction on policy and regulatory priorities and constraints; (2) coordinate internal review of zoning concepts; and (3) provide consolidated comments on draft materials. Changes to entitlements for the historic Guasti site are not included in the near-term implementation framework, but direction for future updates will be included in the strategy. One round of City review and revision is assumed per deliverable.

An optional task to address the development standards within the historic Guasti site is included at the end of this scope. Please note that optional task 7.8.1 would also be necessary to support this work, and it would increase the project schedule by 4-6 months. Due to the extended project schedule, additional project management fees may also be needed.

Task 5.3 Implementation Plan

Task 5.3 will establish a framework for the phasing and implementation of Master Plan, including:

- General scheduling and phasing of public facilities and infrastructure.
- Outline of private property owners' and private developers' responsibilities for implementing the Master Plan.
- Funding and financing plan for public investments.
- Use of special districts to fund enhanced public services in the plan area.
- Annual evaluation framework for assessing implementation of the Master Plan.

Deliverable(s):

» Admin Draft and Public Review Draft Implementation Plan
» Final Implementation Plan

TASK 6. ENGAGEMENT SUPPORT

Task 6 provides support City staff in conducting stakeholder and public outreach across three phases aligned with key decision points in the planning process.

Task 6.1 Stakeholder Support

The purpose of this task is to support City staff in conducting targeted stakeholder engagement with technical advisors, partner agencies, City officials, and community interests.

The PlaceWorks Team will support City staff in conducting stakeholder outreach across two engagement phases. The City will lead all outreach; PlaceWorks will prepare materials and attend meetings as coordinated. Two categories of stakeholders are anticipated:

- Technical advisors and partner agencies: City departments (Economic Development, Traffic, Public Works, etc.), City agencies (GOCAL, Airport, etc..), and partner agencies (e.g., OmniTrans). Meetings will be led by City staff and/or the PlaceWorks team as appropriate, budget allowing.
- Elected and Community stakeholders: City officials, property owners, developers, and advocacy groups (Historic Preservation, unions, etc.). Meetings will be conducted by City staff; PlaceWorks may attend upon request, budget allowing.

Subtask 6.1.1 Stakeholder Support Phase I

The PlaceWorks Team will support City staff in conducting Phase I engagement focused on identifying district challenges, opportunities, and barriers to reinvestment, and preparing district goals, priorities, and problem statements. The PlaceWorks Team will prepare:

- Stakeholder list and engagement strategy.
- Interview materials and discussion topics, informed by existing conditions analysis.
- Documentation template for capturing stakeholder input and communicating outcomes to the PlaceWorks Team.

Deliverable(s):

» Documentation of Stakeholder List and Engagement Strategy, developed in coordination with City Staff
» Stakeholder Input Documentation Template

Subtask 6.1.2 Stakeholder Support Phase II

The PlaceWorks Team will support City staff in conducting Phase II engagement focused on reviewing land use alternatives and ideas. This phase will be conducted concurrently with public outreach (Task 6.2, Phase II). The team will prepare a single set of materials to communicate alternatives, supporting both stakeholder meetings and broader community engagement.

Deliverable(s):

» Alternatives Engagement Materials for stakeholder and public use (coordinated with Task 6.2 Meeting 1)

Task 6.2 Public Engagement Support

The purpose of this task is to support City staff in conducting public-facing engagement to inform and build support for the Master Plan at two key decision points aligned with planning milestones. Logistics and scheduling are understood to be City-led.

Working with City staff, the PlaceWorks Team will support up to two rounds of public-facing engagement, expected to coincide with the Environmental Review milestones:

- Scoping Meeting / Alternatives: Materials and facilitation support to gather community input on environmental scope and alternatives analysis.

- Public Review / Master Plan: Materials and facilitation support to present the plan and environmental document to the community while it is out for public review.

Materials developed for stakeholder engagement and plan preparation will serve as the foundation. The PlaceWorks team will provide the following support:

- Preparation of public engagement materials (display boards and/or slide deck in English and Spanish.
- Support in coordinating with the City Communications team to distribute flyers and social media updates in English and Spanish.
- Documentation of event(s) and comments in coordination with the environmental team.

Deliverable(s):

» Master Plan Engagement Materials (Meeting 2)
» Public Engagement Event Overview

Assumptions Task 6:

Stakeholder outreach and public engagement logistics (meeting scheduling, venue, invitations) are City led. The City will identify stakeholder groups and participants. PlaceWorks will prepare limited materials and attend up to 8 hours of stakeholder meetings as coordinated by the City. The number and format of engagement events will be confirmed with the City prior to initiation. Two phases of public engagement are anticipated in coordination with environmental meetings; additional events are outside this scope and may be addressed as additional services; up to 3 PlaceWorks Team members may attend public events; translators will be budgeted under reimbursable expenses. Materials for stakeholder support will be provided in English. Materials for public support will be provided in English and Spanish. If additional outreach support to establish surveys, conduct pop-ups, or coordinate social media is required additional fee may be needed.

TASK 7. TECHNICAL STUDIES

Task 7.1 Air Quality, Energy, and GHG Emissions

PlaceWorks will evaluate potential air quality, energy, and greenhouse gas (GHG) emissions impacts associated with buildout of the proposed TOP Multi-Modal Guasti District Master Plan and Convention Center Expansion (proposed project). The air quality and GHG emissions analyses will be consistent with the current methodology of the South Coast Air Quality Management District (South Coast AQMD). Modeling of criteria air pollutant and GHG emissions will be conducted using the latest version of California Emissions Estimator Model (CalEEMod) and the California Air Resources Board (CARB) On-Road Emission Factors (EMFAC) model and will include a program-level analysis of impacts associated with the Master Plan and a project-level analysis of impacts of the Convention Center District. Where applicable, information from the Policy Plan Amendment SEIR will be used (e.g. building energy consumption data). Mitigation measures to reduce potential impacts will be identified, as needed, to reduce potentially significant impacts of the project. A description of the individual tasks is provided below and the results of the analysis will be included in the Draft EIR:

Operational Phase Criteria Air Pollutant and GHG Emissions. The proposed project will generate an increase in criteria air pollutant and/or GHG emissions from transportation sources (i.e., vehicles), direct and indirect energy sources (i.e., natural gas and electricity), area sources (i.e., landscape equipment and consumer

products), indirect emissions from water use and wastewater generation, and indirect emissions from waste disposal. PlaceWorks will estimate the increase in emissions associated with the envisioned buildout of the proposed Master Plan and for the project-level Convention Center District, and compare against the South Coast AQMD's significance thresholds. Modeling will be based on the average daily trips and vehicle miles traveled (VMT) provided by Fehr & Peers and land use data developed for the Master Plan.

Construction Phase: Convention Center District. PlaceWorks will quantify short-term emissions generated from the proposed Convention Center Expansion based on the anticipated construction schedule and phasing for the project, the anticipated equipment for each construction activity, and demolition debris and soil haul volumes (if applicable), as provided by the City. Where information is unavailable, PlaceWorks will use CalEEMod defaults, as appropriate, and coordinate with the City to develop the construction assumptions. Maximum daily construction emissions will be compared to the South Coast AQMD regional significance thresholds for construction. Localized air pollution impacts from on-site construction equipment exhaust and fugitive dust will also be compared to South Coast AQMD's localized significance thresholds (LST) for their potential to elevate concentrations of air pollutants at the sensitive uses adjacent to the Convention Center District. The South Coast AQMD has adopted LST screening criteria for projects involving no more than five acres of daily ground disturbance. Because construction of the proposed Convention Center District is anticipated to involve daily ground disturbance of more than five acres, dispersion modeling of applicable criteria air pollutants compared to the ambient air quality standards and South Coast AQMD LSTs will be included in the analysis. Because of the potential magnitude of emissions during the construction phase, a construction health risk assessment will also be provided (see Task 7.2, *Construction Health Risk,* below) and incorporated into the EIR.

Localized Emissions and Health Risk: Master Plan. Due to the programmatic nature of the proposed Master Plan, localized air pollution impacts from on-site construction equipment exhaust and fugitive dust will be qualitatively evaluated. Additionally, it is not anticipated that the planned land uses within the Master Plan area would include industrial or business park uses that would be likely to generate a substantial number of truck trips or stationary source emissions. The EIR will include mitigation measures with performance standards for future discretionary projects within the Plan area to mitigate localized emissions and cumulative health risk, as necessary.

Health Impacts of Criteria Air Pollutants. In 2018, the California Supreme Court determined that the EIR for the Friant Ranch project was inadequate because it did not make a reasonable effort to substantively connect the project's air quality impacts to likely health consequences or explain in meaningful detail why such analysis is not feasible. Operation of the proposed project could exceed the South Coast AQMD regional significance thresholds. Therefore, at a minimum, PlaceWorks will include a qualitative discussion correlating the proposed project's criteria air pollutant emissions to potential health effects. Many EIRs still provide a qualitative discussion to address the Friant Ranch ruling because such modeling requires regional-scale photochemical grid modeling tools, and the results of the health incident analysis are not necessarily meaningful to the decision-makers or public.

AQMP Consistency and Other Air Quality Impacts. The South Coast Air Basin (SoCAB) is currently designated nonattainment under the National and/or California ambient air quality standards (AAQS) for ozone (O_3), fine inhalable particulate matter ($PM_{2.5}$), coarse inhalable particulate matter (PM_{10}), and lead (Los Angeles County only). South Coast AQMD has adopted air quality management plans (AQMP) to ensure the SoCAB can attain the long-term National and California AAQS. The analysis will include a consistency evaluation of

the project's regional emissions to South Coast AQMD's AQMP. Furthermore, the SoCAB has been designated in attainment for carbon monoxide (CO) under both the California and National AAQS; therefore, the air quality analysis will include a qualitative assessment of CO hotspots. PlaceWorks will also describe potential odor impacts qualitatively.

Energy. PlaceWorks will quantify the net increase in project-related energy use associated with the long-term on-road fuel usage based on VMT provided by Fehr & Peers. Fuel use for on-road vehicles will be modeled using the EMFAC model utilized for the air quality and GHG emissions analyses. Electricity and natural gas use associated with operation of the proposed project will be based directly on the data used for the air quality and GHG emissions analyses (e.g., building energy consumption data from the Policy Plan Amendment SEIR). PlaceWorks will also provide an overview and review of the project's consistency with applicable energy-related plans, including the City's Community Climate Action Plan (CCAP) and the State's 2008 Energy Action Plan for new construction, 2025 Energy Action Plan for existing development, and Long-Term Energy Efficiency Strategic Plan for renewable energy integration and grid load harmonization.

Consistency with GHG Reduction Plans. PlaceWorks will provide a discussion on the GHG reduction goals of Senate Bill 32 (SB 32), Assembly Bill (AB) 1279, and SB 375. To achieve the GHG reduction targets SB 32 and AB 1279, CARB adopted the 2022 Scoping Plan Update. In addition, the Southern California Association of Governments (SCAG) has adopted a regional transportation plan/sustainable communities strategy to ensure that the Southern California region can attain the regional transportation-related GHG reduction goals of SB 375. In addition, the City has a CAP that guides local GHG reduction strategies and sustainability measures. PlaceWorks will provide a project consistency analysis with these applicable statewide, regional, and the local GHG emissions plans.

Deliverable(s):

» Air Quality, Energy, and GHG Emissions sections of the EIR and modeling as an appendix

Task 7.2 Construction Health Risk: Convention Center District

In 2015, the Office of Environmental Health Hazard Assessment (OEHHA) released updated guidance that recommended an HRA for construction projects that are longer than two months. As a result, commenters have identified the need for CEQA documents to disclose the potential cancer and non-cancer effects associated with construction activities. Based on the magnitude of construction activities associated with the project-level analysis for the Convention Center District, it is reasonably anticipated that project development would require intensive construction activities (e.g., demolition, grading), result in prolonged construction activities exceeding two months, and require use of large diesel-powered off-road equipment during project construction. There is an extended-stay Residence Inn just north of the Convention Center District and single family residential uses west of Corona Avenue.

Given these circumstances, this proposal includes preparation of a project-level construction HRA to analyze the Convention Center District's site-specific health risks from diesel particulate matter (DPM) from off-road equipment during construction activities. The construction HRA will evaluate the proposed Convention Center District's off-site community health risks from toxic air contaminants generated by project construction (e.g., DPM). Dispersion modeling using Lakes Environmental AERMOD will be used to support the localized emissions analysis described in Task 7.2. The HRA will use the construction emissions inventory used for air quality and GHG emissions. Cancer and toxicity data published by the California

Environmental Protection Agency (CalEPA) will be used to estimate long-term and short-term (acute) health risks for off-site sensitive receptors from construction activities. Measures to reduce construction-related health risk impacts will be considered, as necessary.

Deliverable(s):

» Construction HRA summarized in the Air Quality section of the EIR and modeling as an appendix

Task 7.3 Noise and Vibration

PlaceWorks will prepare the noise and vibration technical analyses for the proposed project. The technical noise impact analysis will discuss relevant standards and criteria for noise exposure, including those in the TOP 2050 Safety Element and Ontario Municipal Code. Feasible mitigation measures, if required, will be identified to minimize noise and vibration impacts associated with implementation of the proposed project.

Existing Conditions. The dominant noise sources in the project area are Ontario International Airport (ONT) operations to the south and traffic noise from Interstate 10 (I-10) adjacent to the north of the Plan area. To characterize the existing conditions, PlaceWorks will conduct a noise measurement survey to acquire ambient noise level data using American National Standards Institute (ANSI) approved sound level meters (Larson Davis LxT, Picollo II). The survey will consist of up to four long-term (24-hour) noise-monitoring locations. These measurement locations will be selected by PlaceWorks and will take into consideration the location of existing airport operations, roadways, and future noise sensitive receivers in the project vicinity.

Convention Center District. Noise from the following sources related to the Convention Center District will be assessed using SoundPLAN computer modeling to evaluate project-related operational and construction noise impacts based on source sound levels, receptor locations, shielding, terrain, and site layout. Use of these accepted methodologies allows for receptor-specific prediction of future noise levels and provides a reliable basis for CEQA impact determination, land use compatibility compliance, and site-specific noise mitigation features, if required.

- *Transportation Noise*. PlaceWorks will assess the potential in traffic noise level increases along access roads (including Guasti Road, East Holt Boulevard, East D Street, and North Vineyard Avenue) based on projected traffic volumes, vehicle mix, roadway geometry, and receptor distance and identify areas along roadway segments that would either be exposed to noise levels above established criteria or result in an increase of more than 3 dBA over the baseline levels.
- *Stationary Noise*. Noise from stationary sources at the site (such as mechanical equipment and parking lot) will also be addressed. Project operational noise contours will be graphically displayed as figures. PlaceWorks will analyze noise impacts from non-transportation sources in terms of potential impacts to noise-sensitive receptors in the immediate vicinity and the noise limitations identified in the City's Municipal Code.
- *Construction Noise*. PlaceWorks will provide a quantitative analysis for potential construction impacts associated with implementation of the proposed project. Noise effects from construction activities will be estimated based on available construction information provided by the City, and the results will be discussed in terms of accepted local noise standards.
- *Vibration*. PlaceWorks will provide a quantitative analysis for potential construction impacts associated with implementation of the proposed project. Vibration effects from construction

activities will be estimated based on available construction information provided by the City, and the results will be discussed in terms of the Federal Transit Administration (FTA) guidance manual on vibration impacts.

Master Plan. The program-level noise and vibration evaluation for the Master Plan will include the following:

- *Construction Demolition Noise and Vibration*. PlaceWorks will provide a qualitative analysis for potential construction impacts associated with implementation of the Master Plan. Noise and vibration effects from construction activities will be estimated based on available construction information provided by the City, and the results will be discussed in terms of accepted local noise standards and the Federal Transit Administration guidance manual on vibration impacts.
- *Transportation Noise*. PlaceWorks will assess the potential for traffic noise level increases along access roads based on projected traffic volumes, vehicle mix, roadway geometry, and receptor distance and identify areas along roadway segments that would either be exposed to noise levels above established criteria or result in an increase of more than 3 dBA over the baseline levels.
- *Stationary Noise*. PlaceWorks will provide a qualitative analysis for potential noise impacts from potential stationary sources at the site (such as heating and air conditioning mechanical equipment, parking lots) will also be addressed. PlaceWorks will analyze noise impacts from non-transportation sources in terms of potential impacts to noise-sensitive receptors in the immediate vicinity and the noise limitations identified in the City's Municipal Code.

Deliverable(s):

» Noise section of the EIR and modeling as an appendix.

Task 7.4 Wet and Dry Utilities

The utilities section of the EIR will provide a programmatic impact evaluation of water supply and demand, wastewater infrastructure, stormwater drainage, solid waste disposal, and energy and telecommunications infrastructure within the Plan area. PlaceWorks will incorporate information from the City's Urban Water Management Plan (UWMP), the City's Master Plan of Drainage, and CalRecycle's Solid Waste Information System. The scope assumes no field work, facility evaluations, or modeling to determine the adequacy of these systems and will rely primarily on information provided by the Ontario Municipal Water Company (OMUC) through correspondence, system master plans, and technical reports. The utilities analysis will also include water and wastewater demands with the proposed programmatic buildout of the Master Plan as compared to existing water supplies and sewer/wastewater treatment capacities. In addition, the capacity of landfills throughout San Bernardino County to accept solid waste and the State and local solid waste diversion programs will be considered in determining potential solid waste impacts. The section will be prepared under the direction of a Registered Engineer in the State of California.

Deliverable(s):

» Utilities section of the DEIR and modeling as an appendix

Task 7.5 Water Supply Assessment: Convention Center District

The Convention Center component of the proposed project triggers the need for a project-level water supply assessment (WSA). A WSA is required for business establishments employing more than 1,000 persons or with more than 500,000 square feet.[1] Therefore, our scope of work includes a WSA for the convention center component since this is being evaluated at a project level in the DEIR.

PlaceWorks will prepare a Draft WSA for review by OMUC for the Convention Center Expansion. The report will rely on information provided in the City of Ontario's 2025 UWMP and the City's 2024 *Demand Factor Technical Memorandum*, based on land use. The report will include the following information:

1. The availability of water supplies over a historical record of at least 20 years. This includes an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project and a description of the quantities of water received in prior years by the City.
2. The quantification of existing and planned sources of water available to the City in 5-year increments for the 20-year projection.
3. For groundwater supplies, the following additional information will be included:
    - A description of the Chino Basin from the latest Urban Water Management Plan.
    - A detailed description and analysis of the amount and location of groundwater pumped by the City in the past five years.
    - A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the City.
4. A quantification of the City's past, current, and projected water demands.
5. A quantification of the water demands for the proposed project and an assessment of the water demand for the proposed project as accounted for in the 2025 UWMP and TOP 2050.
6. A discussion as to whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand of the proposed project in addition to the public water system's existing and planned future uses. This will include the evaluation of drought impacts and consideration of variability in demand and supply based on hydrologic conditions.
7. The applicability of the City's water shortage contingency analysis prepared pursuant to Section 10632 of the Water Code that includes actions to be undertaken by the public water system in response to water supply shortages.

The Draft WSA will be submitted to OMUC for review and comment. After receiving OMUC's comments and revisions, the Final WSA will be incorporate OMUC's comments and revisions, and an electronic copy of the document will be provided to OMUC. Our budget assumes 4 hours to address OMUC's comments and prepare the Final WSA.

[1] Projects that would result in water demand equivalent to a 500-unit residential project also trigger the need for a WSA.

Deliverable(s):

» Draft and Final WSA (MS Word and PDF formats)

Task 7.6 Biological Resources (South Environmental)

South Environmental will conduct a reconnaissance level site survey to map biological resources throughout the Plan area, including plant communities, special-status species, and potential jurisdictional waters. Plants and animals observed on the site will be recorded in a field notebook and representative photos will be taken. The survey area will include the entire Plan area.

A detailed biological resources assessment report will be prepared that describes the Plan, environmental and regulatory settings, maps plant communities and sensitive habitats; discusses the potential for jurisdictional features and special-status species to occur on the Plan area; describes wildlife movement corridors and habitat linkages; and assesses the potential impacts from the Plan to any protected resources (if any). Relevant literature will be reviewed, including but not limited to California Natural Diversity Database (CNDDB), California Native Plant Society (CNPS) Inventory of Rare and Endangered Plants, National Wetlands Inventory (NWI), National Hydrography Database (NHD), and the Natural Resources Conservation Service (NRCS) Soils Database.

Recommendations and measures will be prepared that include a plan of action when permitting the future projects within the Plan area. A detailed description of what steps (i.e. when a biology report would be required and what level of analysis would be pertinent) would be taken when considering individual projects within the Plan area. Mitigation Measures will include those measures that would need to be followed when pursuing future development of resources that are identified during the survey and discussed in the report. This will be a programmatic level analysis, and mitigation measures will reflect the needs of any future projects that could occur within the Plan area. At a minimum the analysis will include characterization of the biological resources within the Plan area and immediately adjacent areas, and other pertinent resources would be included as requested or if they would be affected by the proposed management within the Plan area.

Deliverable(s):

» Draft and Final Biological Resources Study (PDF format)

Task 7.7 Cultural Resources (South Environmental)

South Environmental will conduct a cultural resources study of the Plan area will be prepared that includes the following:

CHRIS Records Search. South Environmental will conduct a California Historical Resources Information Systems (CHRIS) records search of the Plan area and a 200-foot radius at the South Central Coastal Information Center (SCCIC), which houses records for San Bernardino County. The purpose of a records search is to identify any previously recorded cultural resources; review historical maps of the Plan area; review the Archaeological Resources Directory list; and gather information on ethnographies. In addition, South Environmental will review the lists for the National Register of Historic Places (NRHP), the California Register of Historical Resources (CRHR), and the lists of California State Historical Landmarks and California

Points of Historical Interest. We assume that the SCCIC records search will not exceed $1,000 in direct expenses.

Sacred Lands File Search. South Environmental will contact the California Native American Heritage Commission (NAHC) for a review of their Sacred Lands File. The NAHC will determine if any NAHC-listed Native American sacred lands are located within or adjacent to the Plan area. In addition, the NAHC will provide a list of Native American contacts for the project who should be contacted for additional information. South Environmental will present the results of the Sacred Lands File search but will not conduct outreach to the NAHC-listed contacts unless instructed to by the City. We assume that the City of Ontario does not require assistance with government-to-government Native American consultation under Assembly Bill 52 of 2014 (AB 52) or Senate Bill 18 of 2005 (SB 18).

Cultural Resources Report. Following completion of the CHRIS records search, South Environmental will prepare a report that includes existing environmental, cultural, and regulatory settings, and describes the results of the CHRIS records search. We assume no archaeological surveys are required for this programmatic study. The report will summarize any areas of known significance for archaeological resources. Finally, the report will provide programmatic mitigation measures to conduct cultural resources analysis at the project-specific level when discretionary projects are proposed within the Plan area.

Deliverable(s):

- Draft and Final Cultural Resources Report (PDF format)

Task 7.8 Historic Resources (South Environmental)

South Environmental will prepare a report that will include the results of the background and archival research, historical group outreach, and windshield survey. We assume no property significance evaluations are required for this programmatic study. The report will summarize any areas of known significance for historical resources, provide a high-level impacts analysis, and provide programmatic mitigation measures to conduct appropriate historical resources analysis at the project-specific level when discretionary projects are proposed within the Plan area.

Deliverable(s):

- Draft and Final Historic Resources Study (PDF)

South Environmental has also identified an optional task for a detailed inventory of historic resources, included at the end of this scope.

Task 7.9 Paleontological Resources (South Environmental)

South Environmental will request a paleontological resources records search from the San Bernardino County Museum (SBCM), which maintains records for San Bernardino County. The purpose of the records search is to identify any previously recorded paleontological resource localities in the vicinity of the Plan area, as well as the paleontological sensitivity of the geologic units present within the Plan area. South Environmental assumes that the direct costs associated with the records search will not exceed $1,000.

Upon receipt of the paleontological records search results, South Environmental will prepare a paleontological resource technical report following the Society of Vertebrate Paleontology standard guidelines. This report will detail the results of the literature review and museum records search, summarize the paleontological sensitivity of the geologic units within and in the vicinity of the Plan area. Finally, the report will provide programmatic mitigation measures to conduct paleontological resources analysis at the project-specific level when discretionary projects are proposed within the Plan area.

Deliverable(s):

» Draft and Final Paleontological Resources Study (PDF format)

Task 7.10 Transportation (Fehr & Peers)

Subtask 7.10.1 Kick-off, Due Diligence, and Scoping

Fehr & Peers (F&P) will attend a virtual project kick-off working session with the project team and City staff to finalize the project description and approach. This meeting will establish a mutual understanding of the key issues and finalize the scope of work with the project team and City staff, including the following key elements:

- Finalize the project description, including proposed development intensities and land uses.
- Define expected events and operations of the convention center.
- Approach to the CEQA document and VMT analysis.
- Optional Task: LOS Transportation Study Scoping, including analysis scenarios, study peak hours, trip generation, study intersections, analysis procedures, and forecasting methodology.

F&P will prepare a transportation study scoping memorandum that details the results of the scoping session and planned analysis approach. F&P will respond to one round of City comments before proceeding with the approved analysis approach.

To support the Master Plan development, in advance of the kick-off meeting, F&P will complete research associated with the project site, including the planned transportation improvements and connections in the area. F&P will share appropriate maps and figures with the project team in advance of the kick-off meeting.

Deliverable(s):

» Kickoff meeting attendance
» Existing conditions summary slide deck (for Master Plan)
» Scoping Memo

Subtask 7.10.2 Transportation Master Planning

Fehr & Peers will assist in the development of the Convention Center/Guasti District Master Plan. F&P envisions its role as focused on reviewing plans developed by the team and verifying consistency with transportation best practices related to roadway network connectivity and multimodal connectivity, and will provide recommendations to improve overall mobility on the site. Of particular focus will be connections to the Ontario International Airport, planned transit facilities (such as the under-

construction West Valley Connector BRT and potential future Ontario Airport mobility hub), and freeway interchanges.

F&P will review and develop conceptual roadway cross-sections with recommendations to improve space allocation and a multimodal layered network. F&P will estimate trip generation for up to three land use alternatives based on the land use programing referencing the Institute of Transportation Engineers (ITE) and EPA's mixed-use transportation methodologies (MXD).

Subtask 7.10.3 VMT Assessment

Fehr & Peers will conduct VMT assessments consistent with requirements in the California Environmental Quality Act (CEQA), the City's adopted Transportation Impact Analysis Resolution (2020), and the Office of Land Use and Climate Innovation's (LCI) Technical Advisory (2018). F&P will approach the VMT assessment in two parts for this effort:

- Project-level assessment for the Ontario Convention Center expansion and new parking structure where project Origin-Destination (OD) VMT and Boundary VMT forecasts are compared to City thresholds of significance.
- Programmatic assessment for the Multi-Modal Guasti District Master Plan where plan-level OD and Boundary forecasts are compared to City thresholds of significance.

VMT Estimates. Fehr & Peers will utilize the latest San Bernardino Transportation Analysis Model (SBTAM+), consistent with the City's latest general plan amendment updates, to develop traffic forecasts for the proposed project uses, including residential and hospitality. F&P will review the model and update the traffic analysis zone structure at the project site so we can isolate proposed uses at the project site. F&P will also ensure that the model includes proposed land uses and the approved land uses consistent with the approved plan for the area.

The convention center expansion cannot be easily accounted for in the SBTAM+ model. Therefore, F&P will discuss off-model approaches to appropriately estimate VMT generated by this use. This could include using big data sources, such as Streetlight, or obtaining lists of attendee zip codes for previous events at the convention center. Given the schedule of events that would occur at the convention center are not as frequent as typical uses (such as residential and hotel uses), it is anticipated that the VMT forecasts will need to be annualized for an apples-to-apples comparison in the impact assessment.

F&P will work with the project team in Task 1 to identify the various convention center events and their anticipated frequency to effectively forecast the center's annual VMT.

VMT forecasts will be prepared for the following scenarios:

- Baseline (2026) No Project
- Baseline (2026) Plus Expanded Convention Center
- Cumulative (2050) No Project
- Cumulative (2050) Plus Expanded Convention Center
- Cumulative (2050) Plus Expanded Convention Center and Multi-modal Guasti District Master Plan

VMT Impact Assessment. Based on the results of Task 3.1, Fehr & Peers will compare the proposed VMT forecasts against the appropriate comparable thresholds or scenarios and disclose any potential transportation impacts related to VMT. Summary tables will be provided to document total VMT and VMT per service population (the summation of residents and employees) for each of the study scenarios.

Mitigation. If necessary, Fehr & Peers will identify mitigation measures and other unique TDM measures tailored to the project and Multi-modal Guasti District. This could include general measures for everyday application and special event measures for convention center events. Fehr & Peers will work with the City and project team to develop recommendations, priorities, and quantification of trip and parking reduction. *As an optional task, if deemed necessary in the mitigation, F&P will prepare a draft Transportation Demand Management (TDM)/Mitigation Plan for the Convention Center project*.

*CEQA Appendix G Assessment***.** Fehr & Peers will evaluate the project's consistency with the CEQA Appendix G checklist and accommodation of non-automotive modes. This will be completed by determining whether the project is consistent with existing and future infrastructure/policies supporting active transportation modes (e.g. consistency of the project with existing or planned bikeway/transit/pedestrian facilities in the area).

*Documentation***.** Fehr & Peers will prepare a draft transportation impact study report that summarizes the analysis methods, data, and the results of the VMT impact analysis and the CEQA Appendix G assessment. The draft report will be submitted to the project team for review. Up to four hours of staff time are included to respond to one round of consolidated comments from the project team on the draft report.

Deliverable(s):

» Draft and Final Technical Memorandum summarizing VMT Estimates, Appendix G Impact Assessment, and Mitigation Measures

Subtask 7.10.4 Air Quality and Noise Data

Fehr & Peers will provide transportation metrics and traffic forecasts to assist with the air quality, GHG emissions, noise analysis in EIR.

Subtask 7.10.5 Master Plan

Fehr & Peers will support in the development of the Multi-modal Guasti District Master Plan. F&P's scope assumes they will prepare the transportation/mobility section of the Master Plan. This section will include recommendations on roadway network connectivity and roadway cross-sections, parking requirements, and identification of key mobility strategies (e.g. where bikes and pedestrians should be prioritized within the Plan area and how this project could connect to other planned transportation infrastructure).

For this plan, their efforts will focus on:

- Strategies for intra-district travel between hotels, the convention center, entertainment venues, and the airport, such as microtransit or improved bicycle and pedestrian infrastructure.
- Identifying a location for a future regional mobility hub adjacent to the Ontario International Airport.
- Optional Task: Parking management strategies for event traffic and typical operations.

Deliverable(s):

» Draft and Final Transportation/Mobility section in the Multi-modal Guasti District Plan

Subtask 7.10.6 Outreach and Public Hearings

Fehr & Peers has budgeted for in-person attendance at two public hearings, such as the scoping meeting and planning commission hearing. Additional meeting attendance can be scoped as needed on a time-and-materials basis.

Deliverable(s):

» Attendance at two in-person community workshops
» Attendance at two public hearings

Subtask 7.10.7 Meetings and Project Management

Fehr & Peers will attend up to six project team calls as part of this effort. They will also prepare monthly progress reports as part of their monthly billing that will track project completeness along with hours spent on the project.

Deliverable(s):

» Attendance at up to six project team calls

F&P has also identified optional tasks related to the Convention Center District project, included at the end of this scope.

TASK 8. ENVIRONMENTAL PROCESSING

Program EIR. Based on our understanding of the project, we are anticipating the need to prepare an Environmental Impact Report (EIR) for the program-level environmental review associated with the Master Plan. PlaceWorks is acutely aware of the challenge of preparing a Program EIR with so many unknowns in phasing and specific projects. Program EIRs rely on a clear understanding of impacts from the broader plan and policies that take into consideration the uncertainty of individual projects/phasing, development of appropriate significance thresholds, mitigation that includes performance standards that can be applied to the individual phases, and meaningful project alternatives. At this time, we are recommending preparing a new EIR rather than a Subsequent EIR to The Ontario Plan Policy Plan Amendment (anticipated 2026) because the Policy Plan Amendment did not isolate impacts of this Plan area separate from the city as a whole. However, if it is determined at a later date that tiering off the recently Certified SEIR is preferable, the processing schedule would be the same.

Convention Center District. It is also our understanding that the City is seeking a project-level review of the Convention Center Expansion in the CEQA document. Therefore, the Program EIR will also include a project-level analysis of impacts associated with the Convention Center District. Air quality, energy, greenhouse gas, noise, water supply assessment, and transportation studies have been scoped to evaluate the site-specific impacts of this project component. Additionally, the Draft EIR will include a separate impact analysis and mitigation measures specific to the Convention Center District.

Task 8.1 CEQA Initiation

Subtask 8.1.1 Project Description

PlaceWorks will prepare and submit a comprehensive draft project description that includes all required information (i.e., project location, project features, construction activities, and project approvals) for both the project-level analysis of the convention center and the plan-level analysis of the Master Plan. The project description will be supported with figures that show the regional context, local context, aerial photograph, and convention center conceptual site plan. During the preparation of the project description and in coordination with the City, PlaceWorks will identify and outline the project's primary objectives. After one round of review and comments on the draft project description, PlaceWorks will finalize and submit an electronic version to the City.

Subtask 8.1.2 Tribal Consultation Letters

Consultation with California Native American tribes under Assembly Bill 52 (AB 52) and Senate Bill 18 (SB 18) is the responsibility of the CEQA lead agency—in this case, the City of Ontario. Because the proposed project includes a general plan amendment, Senate Bill 18 tribal consultation will be required. Following receipt of the NAHC search results, PlaceWorks will provide a template notification letters to the tribes included in the search results for the City. It should be noted that NAHC can take up to 10 weeks to fulfill this request.

Deliverable(s):

- Tribal Consultation Template Letter (MS Word format)
- Draft and final project description (MS Word and PDF format)

Task 8.2 Notice of Preparation and Scoping Meeting

Subtask 8.2.1 Notice of Preparation

PlaceWorks will prepare the draft Notice of Preparation (NOP) and submit it for review. After approval from the City, PlaceWorks will copy and distribute the NOP to state and local agencies, surrounding property owners, and other special interest groups or individuals identified by the City via email. PlaceWorks will post the NOP with the State Clearinghouse and the San Bernardino County Clerk. The NOP will clearly identify the time period, contact person, and address established for submitting responses. The NOP will provide sufficient information about the project and its potential environmental effects to enable responsible agencies, other agencies, and the public to provide meaningful input into the scoping process. PlaceWorks assumes that the City will be responsible for publishing the notice in a newspaper and/or posting it on the project site and on the City's website. PlaceWorks will translate the NOP into Spanish.

Subtask 8.2.2 Scoping Meeting

According to Section 15082(c)(1) of the CEQA Guidelines, the lead agency must conduct at least one scoping meeting for a project that meets the criteria for statewide, regional, or area-wide significance. The criteria for such projects are outlined in Section 15206 of the CEQA Guidelines. The proposed project meets these criteria, and a scoping meeting is required.

PlaceWorks will assist the City to organize and conduct one public scoping meeting to present the preliminary environmental impacts of the proposed project and to solicit comments regarding the scope

and content of the environmental issues to be addressed in the EIR. We will prepare a PowerPoint presentation for the meeting to be reviewed by the City. The scoping meeting slides will be translated into Spanish. At the meeting, we will be prepared to discuss the environmental review process and to answer specific questions, as desired by the City.

It is recommended that the scoping meeting be held one to two weeks after the release of the NOP so that the public has time to consider the NOP, and public concerns about environmental issues can be identified. After the meeting, we will prepare a summary of comments that will be included in the EIR, with reference to where each comment is addressed or an explanation why it is not addressed (e.g., not an environmental issue).

Deliverable(s):

- Draft NOP (Word and PDF format)
- Public Review NOP in English and Spanish (25 overnight + 75 certified mailings, and email)
- Electronic submittal of the NOP to the State Clearinghouse CEQAnet web portal
- Filing of the NOP with the San Bernardino County Clerk
- Preparation and attendance at the public scoping meeting
- PowerPoint presentation for the scoping meeting (English and Spanish slide decks)

Task 8.3 Administrative Draft EIR

Subtask 8.3.1 First Administrative Draft EIR

An administrative draft environmental impact report (DEIR) will be prepared for the proposed project and will include the following sections:

- ***Executive Summary.*** The executive summary is intended to encapsulate the entire DEIR to provide a quick understanding of the project's potential impacts. It will briefly identify the project description, project objectives, and proposed project timeline. The executive summary will briefly discuss the environmental impacts associated with project implementation (whether beneficial or adverse, significant or less than significant) and will contain a summary analysis of the alternatives to the project. The executive summary will include a comprehensive summary table of project impacts and mitigation measures.
- ***Chapter 1. Introduction.*** The Introduction will include the purpose of a DEIR and procedural information. In addition, this chapter will discuss the format and content of the DEIR and the decision-making process and will identify the responsible and trustee agencies.
- ***Chapter 2. Project Description.*** CEQA Guidelines Section 15124 states that the project description should contain precise boundaries and location, a clearly written statement of objectives, a general description of the project characteristics and supporting public service facilities, and a statement briefly describing the intended uses of the EIR. It requires that the project description not supply extensive detail beyond what is needed for evaluation and review of the environmental impact. A logical, concise, and organized project description sets the tone and structure of the entire EIR and is essential to developing a defensible EIR. The project description will be based on information provided by the City and will include the project location and setting; the site characteristics; the project objectives; and the characteristics of the project, including a clear description of construction activities, phasing, and assumptions that tie directly into the technical quantitative analyses.

The description will quantify baseline conditions in comparison to the proposed project to provide a statistical basis for the incremental "project" to be analyzed throughout the DEIR. This chapter will also describe the required permits and approvals for the project will include a discussion of the past, present, and reasonably foreseeable future projects and activities in the surrounding areas that will serve as the basis for the cumulative impact analysis.

- ***Chapter 3. Environmental Impact Analysis.*** This chapter of the DEIR will include individual topical discussions of the environmental setting, project impacts, cumulative impacts, project design features, applicable mitigation measures, level of significance before mitigation, and level of significance after mitigation. The assessment of impacts will be consistent with CEQA requirements.
- ***Chapter 4. Alternatives to the Proposed Project.*** Our scope is based on the evaluation of up to three alternatives, including the No Project Alternative. In compliance with CEQA, the EIR is required to address a reasonable range of alternatives to be defined and analyzed on the basis of their ability to: 1) avoid or reduce one or more of the project's significant impacts, and 2) feasibly attain most of the basic objectives of the project.

  The analysis of the alternatives will address potential environmental issues, including historic resources, air quality, GHG emissions, traffic, and noise. Impacts resulting from construction and temporary impacts on the surrounding uses (public access, traffic diversion, construction schedule) will also be addressed in the alternatives. It is likely that many of the alternatives considered will be eliminated from further consideration; however, the DEIR will document the reasons for rejecting alternatives. Alternatives identified by public agencies and the public during circulation of the NOP may also be considered. We will work with the City and technical consultants to strategize meaningful project alternatives based on the objectives for the proposed project. Our scope and costs assume that we will include up to three project alternatives, including the No Project/Existing Conditions Alternative and the No Project/TOP 2050 Alternative. The environmentally superior alternative will be identified; if it is the No Project Alternative, then one of the development alternatives will be identified as environmentally superior to the others.

- ***Chapter 5. Other CEQA Considerations.*** PlaceWorks will prepare the following CEQA-required analysis sections: significant irreversible environmental changes and growth-inducing impacts. In addition, this chapter will include the environmental effects found to be less than significant and those that are significant and unavoidable.
- ***Chapter 6. List of Preparers.*** This chapter will include the City, staff who prepared the EIR, consultants that provided technical assistance, and all persons and sources contacted for the environmental analysis.

Based on our understanding of the proposed project, we expect the DEIR to address all 20 environmental issues, as shown in the list below. These issues will be analyzed in separate sections of the Chapter 3, *Environmental Analysis*, or Chapter 5, *Other CEQA Considerations*,[2] for the topics determined to have no impact. Chapter 3 will discuss the thresholds used to determine if a significant impact would occur; the methodology to identify and evaluate the potential impacts of the proposed project; the existing environmental setting; the potential adverse and beneficial effects of the proposed project; the level of impact significance before mitigation; required mitigation measures; the level of significance after

[2] This proposal has identified the following topics as having no impact and would be included in Chapter 5: Agriculture and Forestry, Mineral Resources, Wildfire.

mitigation is incorporated; and the potential cumulative impacts of the proposed project and other existing, approved, and proposed development in the area. Our specific approach to environmental topics that are supported by technical studies is detailed in Task 7, *Technical Studies*, and these topics will be included in Chapter 3 (i.e., Air Quality, Biological Resources, Cultural Resources, Energy, Greenhouse Gas Emissions, Noise, Transportation, and Utilities).

- *Aesthetics*. The Aesthetics section will focus on the land use changes within the Plan area associated with the proposed project. The EIR will document the views of the project site from existing scenic resources identified in TOP 2050 (e.g., local scenic corridors). PlaceWorks will identify the design standards, elevations, landscape requirements, and lighting standards applicable to the Master Plan that minimize aesthetic impacts of the project and ensure compatibility with adjacent land uses. Our scope of work does not include any conceptual views or view simulations of the project.
- *Agricultural and Forestry Resources*. There are four parcels within the current Guasti Plaza Specific Plan area that are designated as Grazing Land by the California Department of Conservation's latest Farmland Mapping and Monitoring Program. However, there is no Farmland within the Plan area or parcels designated for agricultural use. There are no sites within the Plan area under Williamson Act contracts. Additionally, the Plan area does not contain timberland or forest resources. No impacts to agriculture and forestry resources are likely and therefore, this topic will be addressed in Chapter 5, *Other CEQA Considerations*.
- *Geology and Soils*. PlaceWorks will incorporate the from the TOP 2050 and Policy Plan Amendment SEIR for geotechnical resources for this program-level review of geology and soils. The EIR section will discuss the potential for the proposed project to exacerbate geohazards or impacts to paleontological resources (see also Task 7.7) and will design mitigation measures to reduce the significance level of those impacts.
- *Hazards and Hazardous Materials*. PlaceWorks will evaluate the potential impacts related to the use, storage, transportation, and disposal of hazardous materials during the construction and operation of future development in the Plan area, including impacts due to upset conditions or within 1,000 feet from a school. This section of the EIR will also identify if the Plan area includes sites listed as hazardous materials sites and sites that are listed on the Cortese List. In addition, potential hazards from airports, and wildland fires will be evaluated and emergency access in the Plan area will be discussed. This section will document regulations and any design standards in the Master Plan that would reduce impacts from hazards and hazardous materials. A more detailed level of discussion will be included for the Convention Center District to address project-level impacts.
- *Hydrology and Water Quality*: The hydrology and water quality section of the DEIR will include the regulatory framework, regional hydrological setting of the City, stormwater drainage characteristics, water quality data (both surface and groundwater), local receiving water bodies, pollutants of concern based on changes in land use, and flooding hazards. State, regional, and local plans, laws, and regulations pertaining to hydrology and water quality will be identified, including the City of Ontario Municipal Code Chapter 6, Stormwater Drainage System, the City's Master Plan of Drainage, and the regional MS4 Permit. The hydrology section will provide a programmatic impact evaluation of future development in terms of the stormwater infrastructure; regulatory requirements for reducing stormwater runoff from master plan development; and issues pertaining to water quality, erosion, siltation, and flooding.

- *Land Use and Planning*. PlaceWorks will evaluate consistency of the proposed project with regional goals and policies, including the Southern California Association of Governments' Regional Transportation Plan / Sustainable Communities Strategy and policies of TOP 2050.
- *Mineral Resources*. The California Geologic Survey identifies that there are no areas of mineral resource significance within the Plan area. No impacts to mineral resources are likely; therefore, this topic will be addressed in Chapter 5, *Other CEQA Considerations*.
- *Population and Housing*. Potential impacts to population and housing and employment compared to TOP 2050 and regional forecasts will be evaluated in this section.
- *Public Resources*. New residential and nonresidential uses would result in an increase in demand for schools (Chaffey Joint Union High School District, Ontario-Montclair School District, and Cucamonga School District), Ontario Policy Department, Ontario Fire Department, and other emergency services. The EIR will evaluate how the introduction of residential and nonresidential uses could alter demand for public services in the City. PlaceWorks will coordinate with service providers to ensure that impacts to their facilities are addressed.
- *Recreation*. The proposed project would result in an increased demand for recreation in the City. The EIR will analyze the demand the proposed project would have on recreational facilities. Satisfaction of parkland dedication requirements will also be discussed.
- *Tribal Cultural Resources*. This section will assess the project's potential impacts on tribal cultural resources based on any correspondence the City receives from the SB 18- and AB 52-specific Native American tribal contacts (see Task 8.1.2). The SEIR will include mitigation measures coordinated with the tribe(s) and City to reduce the significance level of those impacts.
- *Wildfire*. The Plan area is not within a very high fire hazard zone. No impacts associated with wildfire are likely; therefore, this topic will be addressed in Chapter 5, *Other CEQA Considerations*.

Subtask 8.3.2 Second Administrative Draft EIR

PlaceWorks will address comments from the City and the City Attorney in the 2nd Administrative DEIR. It is assumed that coordination with the City will be required to resolve outstanding issues/questions:

Deliverable(s):

» 1st Admin Draft EIR (Word and PDF format)
» 2nd Admin Draft EIR (Word and PDF format)

Task 8.4 Public Review Draft EIR

PlaceWorks will prepare a Printcheck Review DEIR and distribute electronically to the City for final approval. Upon final approval of the Printcheck DEIR, PlaceWorks will prepare the DEIR for public review. This will include final formatting, editing, and QA/QC. We will also work with the City to make sure all deliverables comply with the State Clearinghouse's new accessibility requirements. Our scope of work assumes that the Notice of Completion (NOC) will be transmitted to interested parties and agencies electronically via email, with the exception of the reference copies at City and the library.

PlaceWorks will prepare the NOC and Notice of Availability (NOA) for City approval and signature. The NOA will be translated into Spanish. PlaceWorks will distribute the NOC and NOA to the State Clearinghouse,

San Bernardino County Clerk, and parties on the City's distribution list (assumed to be provided by the City). This scope of work does not include development or placement of notices in newspapers.

Deliverable(s):

- Printcheck DEIR (Word and PDF format)
- Public DEIR (3 hardcopies + 50 Flash Drives)
- NOA in English and Spanish and distribution list (25 overnight + 75 certified mailings, and email)
- Filing of NOC and DEIR with State Clearinghouse
- Filing of the NOA with the San Bernardino County Clerk

Task 8.5 Final EIR

Subtask 8.5.1 Administrative Final EIR

At the conclusion of the DEIR public review period, PlaceWorks will work with the City to obtain and catalog all comments received on the DEIR. This catalog of comments will assist the project team to assign responders and alert the team immediately if additional technical review is in order. It is assumed that, if required, the technical consultants will provide any necessary input to the responses to comment letters.

An administrative final environmental impact report (FEIR) will be prepared for the City's review and will contain revisions/errata to the Draft EIR and the compiled response to comments. PlaceWorks will address one round of comments from the City. It is difficult to predict public reaction to the DEIR. If substantial comments and revision are necessary and exceed our estimated hours, additional fees will be requested. The Administrative FEIR will also include any revisions, updates, or corrections needed to respond to comments or address minor errors in the Draft EIR. Revisions will be made in underline and/or strike-out text.

Subtask 8.5.2 Public Final EIR

PlaceWorks will submit a Printcheck FEIR to the City. PlaceWorks will finalize the document and distribute the FEIR. The FEIR will be completed at least 10 days prior to potential approval by the City Council.

Deliverable(s):

- Administrative FEIR (Word and PDF format)
- Public Review FEIR (10 transmittals + 10 Flash Drives, and email)

Task 8.6 Certification Documents

Subtask 8.6.1 Mitigation Monitoring and Reporting Program

A Mitigation Monitoring and Reporting Program (MMRP) will be prepared pursuant to Section 21081.6 of the Public Resources Code. It will identify the significant impacts that would result from the project, proposed mitigation measures for each impact, the times at which the measures will need to be conducted, the entity responsible for implementing the mitigation measure, and the City department or other agency responsible for monitoring the mitigation effort and ensuring its success. A draft MMRP will be submitted to the City for review.

Subtask 8.6.2 Findings of Fact and Statement of Overriding Considerations

PlaceWorks will complete Findings of Fact (FOF) for all impacts in the DEIR. If significant and unavoidable impacts are identified, we will prepare a Statement of Overriding Considerations (SOC) for those impacts. Section 15091 of the CEQA Guidelines requires that no public agency approve or carry out a project for which an EIR has been completed that identifies one or more significant effects unless the public agency prepares findings for each significant impact. Additionally, Section 15093 requires that when an agency approves a project that will have significant adverse environmental impacts that are unavoidable, the agency must make a statement of its views on the ultimate balancing of the merits of approving the project despite the environmental damage. A draft FOF/SOC will be submitted to the City for review.

Subtask 8.6.3 Notice of Determination

PlaceWorks will prepare a draft Notice of Determination (NOD) for review by the City. After the City takes action certifying the FEIR and approves the project, PlaceWorks will file the NOD with the Governor's Office of Land Use and Climate Innovation (LCI) (formerly the Office of Planning and Research), and the San Bernardino County Clerk. Our budget includes fee costs associated with filing with the County Clerk and California Department of Fish and Wildlife.

Deliverable(s):

- Draft and Final MMRP (Word and PDF format)
- Draft and Final FOF/SOC (Word and PDF format)
- NOD Filing with the San Bernardino County Clerk + CDFW Fees
- NOD Filing with the State Clearinghouse

Task 8.7 CEQA Meetings

Monthly Virtual Meetings. Communication is key to a project's success. Our cost estimate is based on our attendance at virtual meetings with the City every-other week. Nicole and the APM will attend these meetings. Technical staff will be included as needed.

Other In-Person Meetings. Our budget also includes two in-person meetings in addition to the twice monthly meetings. We can attend additional coordination meetings as requested; such meetings will be charged on a time-and-materials basis.

Deliverable(s):

- 1 kick-off meeting (see Task 1)
- Twice monthly virtual meetings (28 total, CEQA PM)
- 2 In-Person Meetings (CEQA PM)

Task 8.8 CEQA Project Management

This task covers the efforts to manage the PlaceWorks CEQA team; manage the EIR preparation effort; and maintain constant, close communication between the City and the broader technical team. This task is intended to ensure that the project will be completed on time and within budget and that all work products are of the highest quality. PlaceWorks' CEQA Project Manager, Nicole Vermilion, will coordinate the team's work for the communication of issues, transmittal of comments, financial management, and other project

management matters. Monthly invoices and project progress reports will be provided for the duration of the project. Our cost estimate is based on the estimated schedule (up to 14 months) in this proposal. If this schedule is extended beyond PlaceWorks' control, additional fees may be requested for project management.

TASK 9. HEARINGS

Our PIC, PM, and CEQA PM will attend up to four public hearings (2 Planning Commission and 2 City Council). Our team will serve as an extension of City staff and answer questions regarding the Master Plan and environmental document and impact analyses, as directed by City staff. We can attend additional public hearings as requested; such hearings will be charged on a time-and-materials basis. PlaceWorks' technical specialists will attend public hearings upon request based on time and materials at our rates effective at the time.

Deliverable(s):

- Up to 4 public hearings (PM and CEQA PM)

TASK 10. PLANNING PROJECT MANAGEMENT

Monthly Virtual Meetings. Communication is key to a project's success. Our cost estimate is based on our attendance at virtual meetings with the City every-other week. Colin and Halley will attend these meetings, advisory staff will be included as needed.

Other In-Person Meetings. Our budget also includes two in-person meetings in addition to the twice monthly meetings. We can attend additional coordination meetings as requested; such meetings will be charged on a time-and-materials basis.

Planning and Overall Project Management. This task covers the efforts to manage the PlaceWorks project team; manage the planning effort; and maintain constant, close communication between the City and the broader technical team. This task is intended to ensure that the project will be completed on time and within budget and that all work products are of the highest quality. PlaceWorks' Principal in Charge, Colin Drukker, and Project Manager, Halley Grundy, will coordinate the team's work for the communication of issues, transmittal of comments, financial management, and other project management matters. Monthly invoices and project progress reports will be provided for the duration of the project. Our cost estimate is based on the estimated schedule in this proposal. If this schedule is extended beyond PlaceWorks' control, additional fees may be requested for project management.

Optional Tasks

Optional Task 2.3 Economic and Market Analysis

This optional task would prepare a planning-level evaluation of market conditions and potential barriers to reinvestment in the district to supplement the Hotel Market Analysis currently being prepared as well as any other studies or analyses already completed by the City and its agencies. This assessment would focus on three key areas: businesses, facilities, and events that would attract visitors to the plan area; businesses that serve visitors; and other residential or employment-generating uses to provide daytime spending support.

We will collaborate with City staff to define the appropriate scope of work for this task, which will depend on the extent of recent economic and market studies the City has had prepared or that have been submitted to the City. This task would need to be completed prior to the completion of task 3.2, and may include evaluation of the following market segments, with the ultimate scope to be determined in concert with City staff:

- Hospitality and entertainment trends.
- Visitor-serving retail and restaurant opportunities.
- Mixed-use and redevelopment potential.
- Residential development potential.
- Office and employment-supportive uses.
- Convention-supportive activity patterns.
- Market and redevelopment barriers currently limiting reinvestment activity in the district.

Deliverable(s):

» Draft and Final Market and Redevelopment Assessment Memorandum

Assumptions:

City will provide any available market studies, hotel analyses, or related technical materials. Scope and focus will be confirmed with the City prior to initiation.

Optional Task 5.4 Updated Development Standards for the Historic Site within the Guasti Specific Plan

This optional task would prepare updated development standards for the Historic Site within the Guasti Specific Plan area. If elected it is anticipated that the existing specific plan would be repealed and new standards would be established through a planned urban development (PUD). These standards would provide broad guidance for the development of the site and would be complemented by historic preservation guidelines and mitigation measures, included in the Master Plan, Implementation Plan, and Final EIR. We will collaborate with City staff to define the appropriate depth and scope of such development standards. If desired, this task together with tasks 4.4, 4.1, 5.2, and 5.3 could be repositioned to establish a specific plan rather than a master plan + development standards, but an additional fee may be required.

The decision to include this area in changes to land use and development standards must be established prior to the development of the statistical summary for the preliminary framework plan. The decision to establish a specific plan should be made prior to the issuance of the NOP.

Deliverable(s)

» Draft and Final development standards (format TBD)

Assumptions:

Decision to include this optional task is provided prior to finalizing the statistical summary for the framework plan. The Decision to develop a specific plan is made prior to the issuance of the NOP. The resulting development standards will not include the same level of detail or guidance related to historic

(and tree) preservation as the existing specific plan. Instead, historic studies, evaluations, and historic preservation measures will be established to ensure that future projects conduct the necessary studies to develop the site. Including this task would extend the timeline by 4-6 months. To include this task, optional task 7.8.1 would also be required, and the project management fee for design (task 4.4), planning (task 10), and environmental (8.8) would increase by 25 percent to reflect the extended project timeframe.

Changing the deliverables from a master plan, implementation plan, and development standards to a specific plan may also require additional fee.

Optional Task 7.8.1 Updated Evaluation of the Guasti Village Historic District (South Environmental)

South Environmental understands that the Guasti Village Historic District received an updated evaluation in 2008 as part of the Guasti Specific Plan. As part of the 2008 study, 55 buildings were recorded and evaluated on California Department of Parks and Recreation Series 523 (DPR) forms as part of the Guasti Conservation Plan, which aimed to document all existing on-site buildings and structures; provide an updated conditions assessment; propose architectural salvage from demolished buildings; provide proposed treatments for preservation, conservation, and protection of historic features; and establish guidelines for new construction and design review procedures.

Since 2008, it appears that numerous buildings have been demolished, altered, or relocated. Therefore, it is recommended that an updated recordation and significance evaluation be prepared for the historic district in consideration of its existing conditions. This evaluation is recommended because it would provide valuable information that could be used to make informed decisions about the historic district and associated resources in the planning process.

As part of this task, South Environmental architectural historians would conduct an intensive-level pedestrian survey of the historic district, inclusive of all buildings and structures, taking detailed notes and photographs. Supplemental archival research would also be completed, as warranted, to provide a comprehensive historic context for the district and confirm its major character-defining features and period of significance. South Environmental assumes no more than 20 buildings/structures/features within the historic district would require consideration as part of the update. No resources outside the boundaries of the district are included in the evaluation. This task does not include preparation of an updated conservation plan or design guidelines, nor does it include recommended treatments/conditions assessments of the existing buildings.

Optional Task 7.10.8 LOS Local Transportation Study

At the request of the City, Fehr & Peers can prepare a Traffic Impact Assessment for the Convention Center project. This task is typically requested by the City as required for general plan compliance, but is not required for CEQA. The final scope and fee will be determined through the study scoping process with the City. This tasks assumes that Fehr & Peers would prepare trip generation, trip distribution, and trip assignment for the Convention Center project. Up to 25 study intersections and up to two peak hours per intersection would be conducted. Additionally new traffic counts would be conducted. Traffic forecasting would be prepared using the travel demand model developed for TOP 2050 and updated with the latest

general plan amendments, including Eucalyptus Business Park Specific Plan. The Traffic Impact Assessment would include the following scenarios: Existing Conditions, Opening Year With and Without Project (Convention Center), and Cumulative Year With and Without Project (Master Plan Buildout). Typical AM and PM peak hour and one weekday event scenario would be conducted. Synchro HCM (7th edition) would be used for delay estimates and LOS. Additionally, off-ramp queueing at Caltrans ramp terminal intersections would be provided. The Traffic Impact Assessment would also identify improvements and, if warranted, fair share estimates. The results of the analysis would be summarized in the Traffic Impact Assessment report.

Optional Task 7.10.9 Parking/Transportation Demand Management Study

If identified as a mitigation measure or in response to public comment, Fehr & Peers recommends preparing a TDM memorandum following the completion of the VMT assessment.

Optional Task 7.10.10 Event Transportation Management Plan

If identified as a mitigation measure, as a condition of approval following completion of the local transportation study, or in response to public comment, Fehr and Peers recommends preparation of an event transportation management plan. This would be prepared following the completion of the local transportation impact study.

Proposed Schedule and Cost Estimate

The proposed schedule and cost estimate are provided as attachments.

Table 1. PlaceWorks 2026 Standard Fee Schedule

STAFF LEVEL	HOURLY BILL RATE
Principal	$210–$345
Associate Principal	$220–$295
Senior Associate II	$200–$280
Senior Associate I	$160–$240
Associate II	$165–$210
Associate I	$150–$195
Project Planner	$125–$185
Planner	$90–$165
Graphics Specialist	$90–$175
Administrator	$145–$250
Clerical/Word Processing/Technical Editor	$75–$175
Intern	$80–$135

Subconsultants are billed at cost plus 10%. Mileage reimbursement rate is the standard IRS-approved rate. Possible yearly increase of 5% on bill rates.

2026_StdFeeSch_2026_01-20

Acknowledgment

This proposal shall remain valid for a period of 90 days from the time of submittal. As Principals, Colin Drukker and Nicole Vermilion are both authorized to bind the team to the contents of this submittal and to negotiate contracts on behalf of PlaceWorks. If you have any questions, please contact either of us via phone or email.

We look forward to working with you to bring about the successful completion of this project.

Respectfully submitted,

PLACEWORKS

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nvermilion@placeworks.com

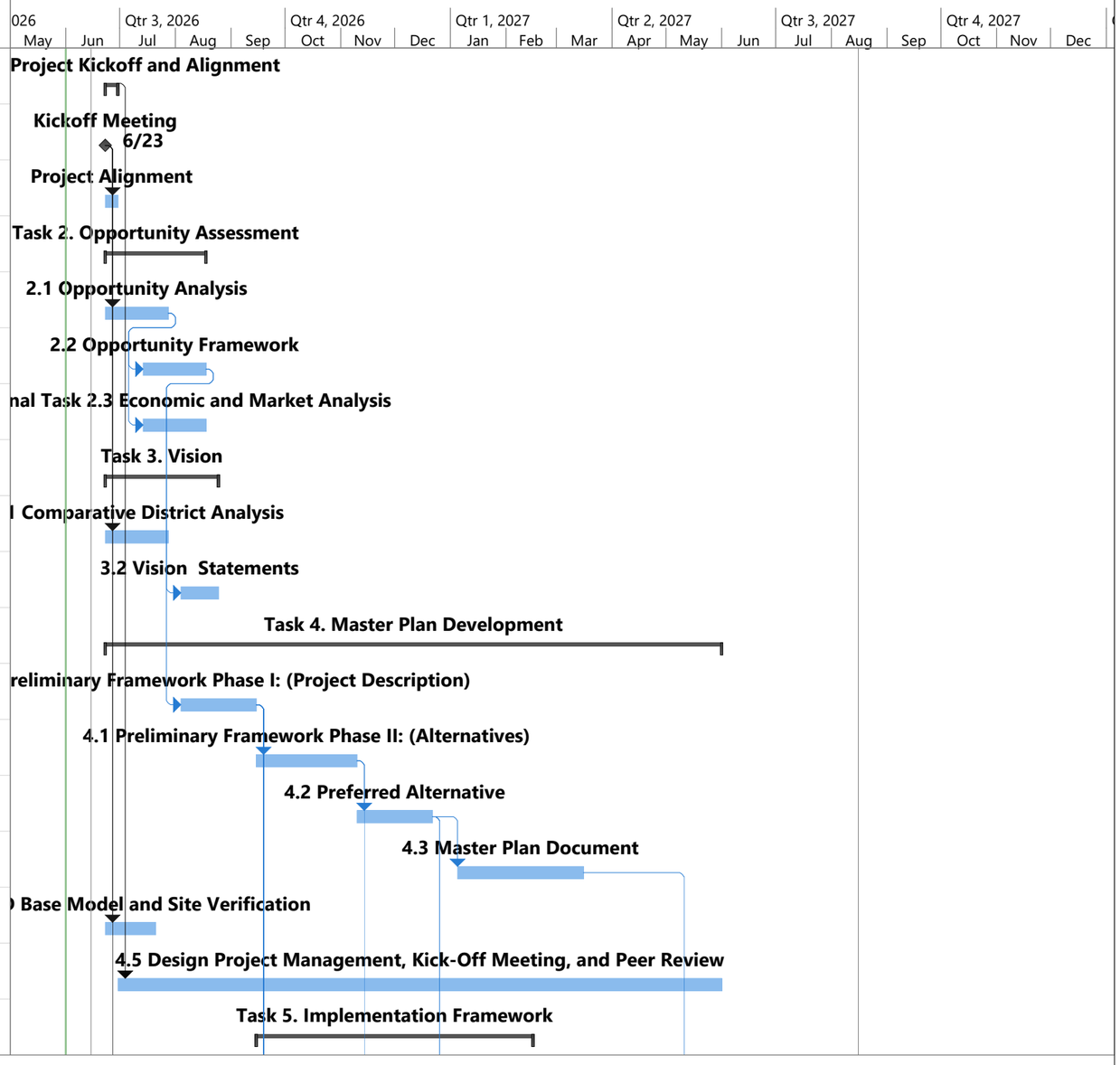
EXHIBIT "B"
SCHEDULE OF SERVICES

(Document to follow this page)

Exhibit "B" Schedule of Services

Multi-Modal Guasti District
Master Plan + CEQA Schedule

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
1		**Task 1. Project Kickoff and Alignment**	**5 days**	**Tue 6/23/26**	**Mon 6/29/26**	
2		Kickoff Meeting	0 days	Tue 6/23/26	Tue 6/23/26	
3		Project Alignment	1 wk	Tue 6/23/26	Mon 6/29/26	2
4		**Task 2. Opportunity Assessment**	**40 days**	**Tue 6/23/26**	**Mon 8/17/26**	
5		2.1 Opportunity Analysis	5 wks	Tue 6/23/26	Mon 7/27/26	2
6		2.2 Opportunity Framework	5 wks	Tue 7/14/26	Mon 8/17/26	5FS-2 wks
7		Optional Task 2.3 Economic and Market Analysis	5 wks	Tue 7/14/26	Mon 8/17/26	5FS-2 wks
8		**Task 3. Vision**	**45 days**	**Tue 6/23/26**	**Mon 8/24/26**	
9		3.1 Comparative District Analysis	5 wks	Tue 6/23/26	Mon 7/27/26	2
10		3.2 Vision Statements	3 wks	Tue 8/4/26	Mon 8/24/26	6FS-2 wks
11		**Task 4. Master Plan Development**	**245 days**	**Tue 6/23/26**	**Mon 5/31/27**	
12		4.1 Preliminary Framework Phase I: (Project Description)	6 wks	Tue 8/4/26	Mon 9/14/26	6FS-2 wks
13		4.1 Preliminary Framework Phase II: (Alternatives)	8 wks	Tue 9/15/26	Mon 11/9/26	12
14		4.2 Preferred Alternative	6 wks	Tue 11/10/26	Mon 12/21/26	13
15		4.3 Master Plan Document	10 wks	Tue 1/5/27	Mon 3/15/27	14FS+2 wks
16		4.4 3-D Base Model and Site Verification	4 wks	Tue 6/23/26	Mon 7/20/26	2
17		4.5 Design Project Management, Kick-Off Meeting, and Peer Review	12 mons	Tue 6/30/26	Mon 5/31/27	1
18		**Task 5. Implementation Framework**	**110 days**	**Tue 9/15/26**	**Mon 2/15/27**	

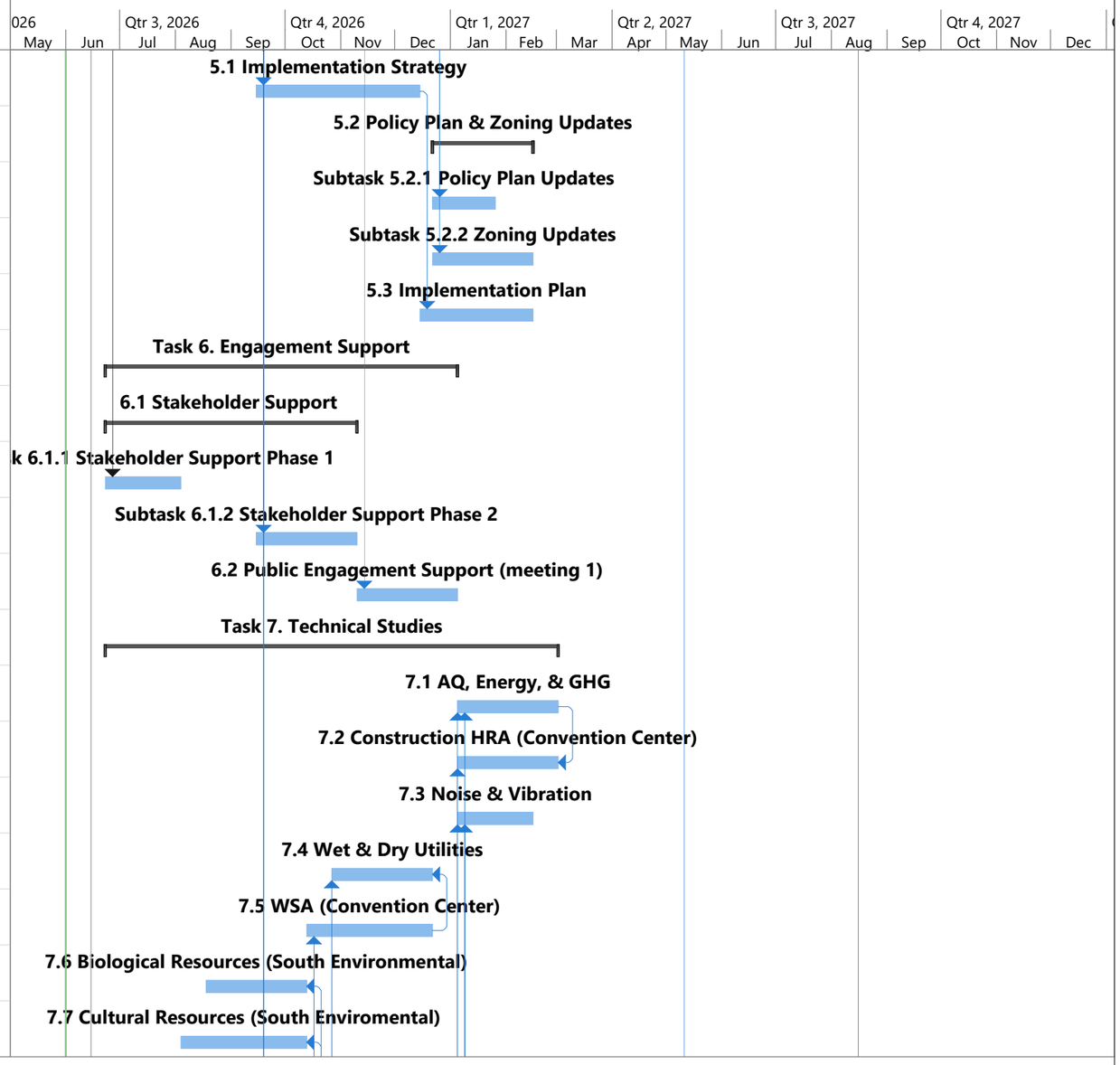


Project: MultiModalGuastiDistr
Date: Mon 6/1/26

Task	Project Summary	Manual Task	Start-only	Deadline
Split	Inactive Task	Duration-only	Finish-only	Progress
Milestone	Inactive Milestone	Manual Summary Rollup	External Tasks	Manual Progress
Summary	Inactive Summary	Manual Summary	External Milestone

Multi-Modal Guasti District
Master Plan + CEQA Schedule

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
19		5.1 Implementation Strategy	13 wks	Tue 9/15/26	Mon 12/14/26	12
20		5.2 Policy Plan & Zoning Updates	40 days	Tue 12/22/26	Mon 2/15/27	
21		Subtask 5.2.1 Policy Plan Updates	5 wks	Tue 12/22/26	Mon 1/25/27	14
22		Subtask 5.2.2 Zoning Updates	8 wks	Tue 12/22/26	Mon 2/15/27	14
23		5.3 Implementation Plan	9 wks	Tue 12/15/26	Mon 2/15/27	19
24		**Task 6. Engagement Support**	**140 days**	**Tue 6/23/26**	**Mon 1/4/27**	
25		6.1 Stakeholder Support	100 days	Tue 6/23/26	Mon 11/9/26	
26		Subtask 6.1.1 Stakeholder Support Phase 1	6 wks	Tue 6/23/26	Mon 8/3/26	2
27		Subtask 6.1.2 Stakeholder Support Phase 2	8 wks	Tue 9/15/26	Mon 11/9/26	12
28		6.2 Public Engagement Support (meeting 1)	8 wks	Tue 11/10/26	Mon 1/4/27	13
29		**Task 7. Technical Studies**	**180 days**	**Tue 6/23/26**	**Mon 3/1/27**	
30		7.1 AQ, Energy, & GHG	8 wks	Tue 1/5/27	Mon 3/1/27	47,42
31		7.2 Construction HRA (Convention Center)	8 wks	Tue 1/5/27	Mon 3/1/27	47,30FF
32		7.3 Noise & Vibration	6 wks	Tue 1/5/27	Mon 2/15/27	47,42
33		7.4 Wet & Dry Utilities	8 wks	Tue 10/27/26	Mon 12/21/26	47,34FF
34		7.5 WSA (Convention Center)	10 wks	Tue 10/13/26	Mon 12/21/26	47
35		7.6 Biological Resources (South Environmental)	8 wks	Tue 8/18/26	Mon 10/12/26	47FF
36		7.7 Cultural Resources (South Enviromental)	10 wks	Tue 8/4/26	Mon 10/12/26	47FF

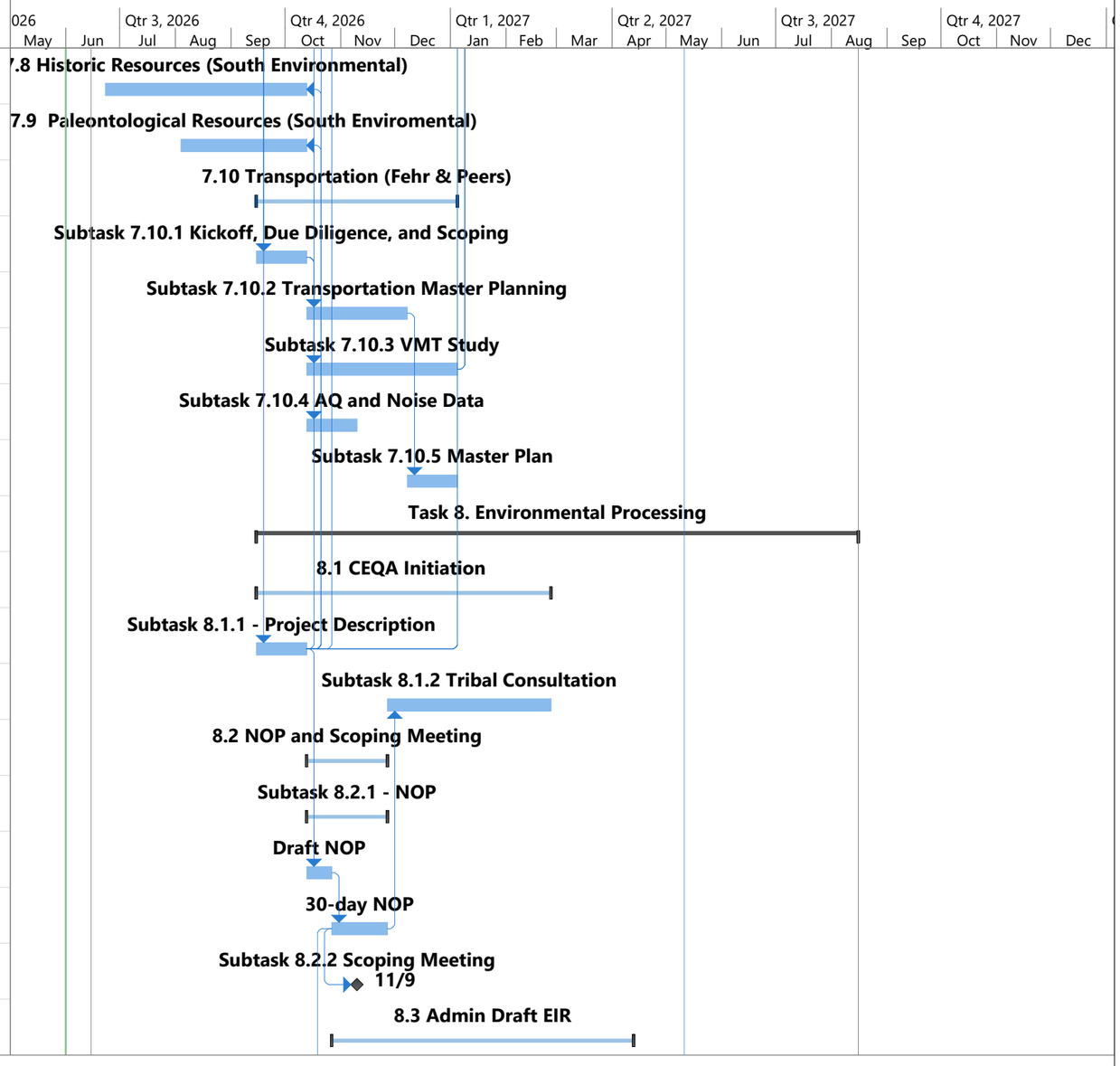


Project: MultiModalGuastiDistr
Date: Mon 6/1/26

Task	Project Summary	Manual Task	Start-only	Deadline
Split	Inactive Task	Duration-only	Finish-only	Progress
Milestone	Inactive Milestone	Manual Summary Rollup	External Tasks	Manual Progress
Summary	Inactive Summary	Manual Summary	External Milestone

Multi-Modal Guasti District
Master Plan + CEQA Schedule

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors
37		7.8 Historic Resources (South Environmental)	16 wks	Tue 6/23/26	Mon 10/12/26	47FF
38		7.9 Paleontological Resources (South Enviromental)	10 wks	Tue 8/4/26	Mon 10/12/26	47FF
39		7.10 Transportation (Fehr & Peers)	80 days	Tue 9/15/26	Mon 1/4/27	
40		Subtask 7.10.1 Kickoff, Due Diligence, and Scoping	4 wks	Tue 9/15/26	Mon 10/12/26	12
41		Subtask 7.10.2 Transportation Master Planning	8 wks	Tue 10/13/26	Mon 12/7/26	40
42		Subtask 7.10.3 VMT Study	12 wks	Tue 10/13/26	Mon 1/4/27	40
43		Subtask 7.10.4 AQ and Noise Data	4 wks	Tue 10/13/26	Mon 11/9/26	40
44		Subtask 7.10.5 Master Plan	4 wks	Tue 12/8/26	Mon 1/4/27	41
45		**Task 8. Environmental Processing**	**239 days**	**Tue 9/15/26**	**Sun 8/15/27**	
46		8.1 CEQA Initiation	118 days	Tue 9/15/26	Thu 2/25/27	
47		Subtask 8.1.1 - Project Description	4 wks	Tue 9/15/26	Mon 10/12/26	12
48		Subtask 8.1.2 Tribal Consultation	91 edays	Thu 11/26/26	Thu 2/25/27	52
49		8.2 NOP and Scoping Meeting	33 days	Tue 10/13/26	Thu 11/26/26	
50		Subtask 8.2.1 - NOP	33 days	Tue 10/13/26	Thu 11/26/26	
51		Draft NOP	2 wks	Tue 10/13/26	Mon 10/26/26	47
52		30-day NOP	31 edays	Mon 10/26/26	Thu 11/26/26	51
53		Subtask 8.2.2 Scoping Meeting	0 days	Mon 11/9/26	Mon 11/9/26	52SS+2 wks
54		8.3 Admin Draft EIR	120 days	Tue 10/27/26	Mon 4/12/27	

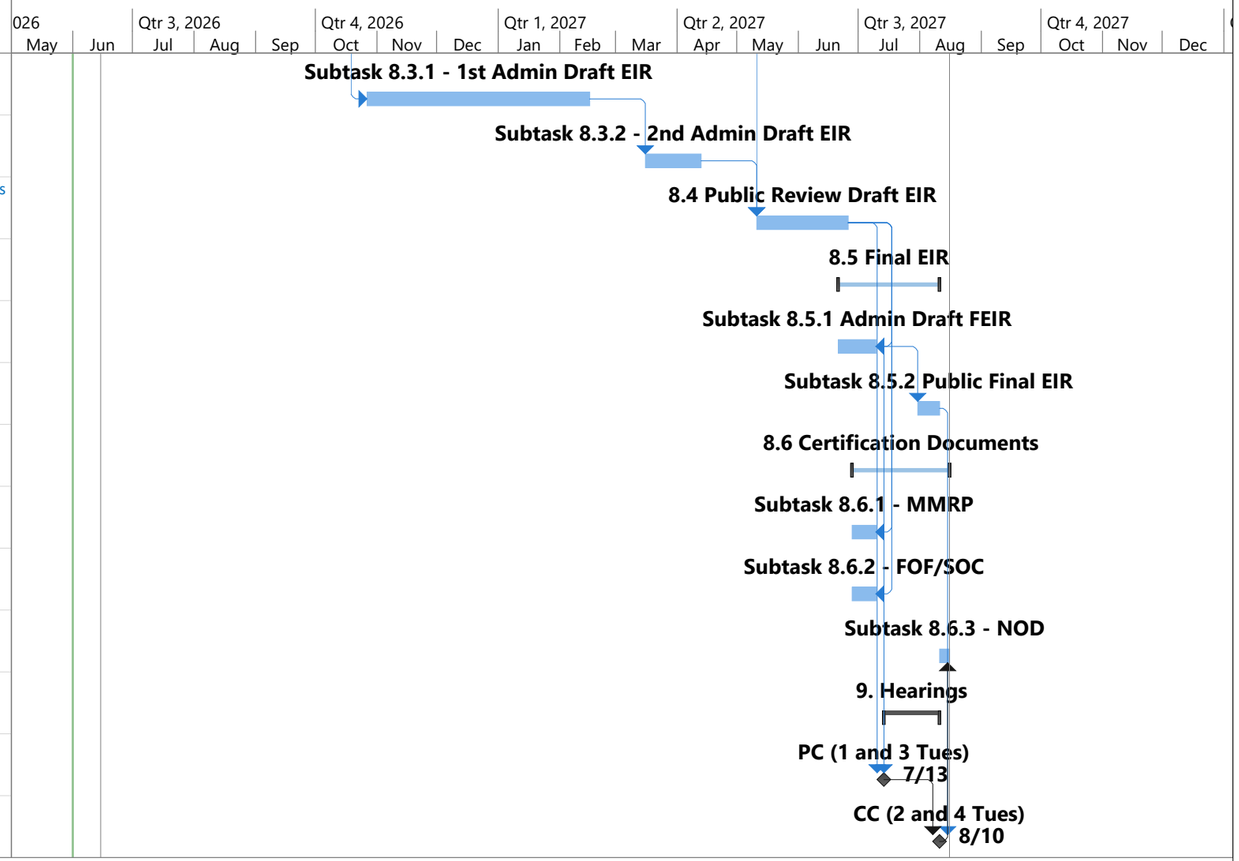


Project: MultiModalGuastiDistr
Date: Mon 6/1/26

Task	Project Summary	Manual Task	Start-only	Deadline	
Split	Inactive Task	Duration-only	Finish-only	Progress	
Milestone	Inactive Milestone	Manual Summary Rollup	External Tasks	Manual Progress	
Summary	Inactive Summary	Manual Summary	External Milestone		

Multi-Modal Guasti District
Master Plan + CEQA Schedule

ID	Task Mo	Task Name	Duration	Start	Finish	Predecessors
55		Subtask 8.3.1 - 1st Admin Draft EIR	4 mons	Tue 10/27/26	Mon 2/15/27	52SS
56		Subtask 8.3.2 - 2nd Admin Draft EIR	4 wks	Tue 3/16/27	Mon 4/12/27	55FS+4 wks
57		8.4 Public Review Draft EIR	46 edays	Mon 5/10/27	Fri 6/25/27	56FS+4 wks,15FS+2 wks
58		8.5 Final EIR	37 days	Mon 6/21/27	Tue 8/10/27	
59		Subtask 8.5.1 Admin Draft FEIR	3 wks	Mon 6/21/27	Fri 7/9/27	57FF+2 wks
60		Subtask 8.5.2 Public Final EIR	11 edays	Fri 7/30/27	Tue 8/10/27	59FS+3 wks
61		8.6 Certification Documents	35 days	Mon 6/28/27	Sun 8/15/27	
62		Subtask 8.6.1 - MMRP	2 wks	Mon 6/28/27	Fri 7/9/27	57FF+2 wks
63		Subtask 8.6.2 - FOF/SOC	2 wks	Mon 6/28/27	Fri 7/9/27	57FF+2 wks
64		Subtask 8.6.3 - NOD	5 edays	Tue 8/10/27	Sun 8/15/27	67
65		**9. Hearings**	**20 days**	**Tue 7/13/27**	**Tue 8/10/27**	
66		PC (1 and 3 Tues)	0 days	Tue 7/13/27	Tue 7/13/27	57,59FS+2 days
67		CC (2 and 4 Tues)	0 days	Tue 8/10/27	Tue 8/10/27	60,66FS+21 edays



Project: MultiModalGuastiDistr
Date: Mon 6/1/26

Task	Project Summary	Manual Task	Start-only	Deadline
Split	Inactive Task	Duration-only	Finish-only	Progress
Milestone	Inactive Milestone	Manual Summary Rollup	External Tasks	Manual Progress
Summary	Inactive Summary	Manual Summary	External Milestone

EXHIBIT "C"
COMPENSATION

(Document to follow this page)

The PlaceWorks Team

Exhibit "C" Compensation

TOP Multi-Modal Guasti District Master Plan and Associated CEQA Documentation

COST PROPOSAL | CITY OF ONTARIO: Master Plan, June 1, 2026

		PLACEWORKS																							SUBCONSULTANTS					
		DRUKKER	GRUNDY	VERMILION	HAINES	GUNNELLS	SO	VASQUEZ			SHIELDS INCE-USA	PARK	EL CHAMMAS GASS PE	BUSH PE	BIAGINI	PARKS	HEREDIA	MILLER	PADILLA	DOCUMENT SUPPORT										
	Title	Principal	Sr Associate	Principal	APM	Chief Economist	Associate	Planner	Associate	Proj. Designer	Sr Associate	Sr Associate	Sr Engineer	Sr Engineer	Associate	Associate	Associate	Associate	Associate							Place-Works Hours	PLACE-WORKS TOTAL	Studio 111	Fehr & Peers	South Environmental	10% Subcon-Subconsultants Markup	SUBCON-SUBCONSULTANTS TOTAL	TOTAL TASK BUDGET
	Role:	*PIC*	*PM*	*CEQA PIC/PM*	*CEQA APM*	*Economist*	*Designer*	*Planner*	*Planner*	*Designer*	*Noise Lead*	*AQ/GHG/ Energy Lead*	*Hydro/WQ/ Hazards Lead*	*Utilities, Hydro, WSA*	*CEQA Planner*	*AQ/GHG/ Energy*	*AQ/GHG/ Energy*	*Utilities, Hydro*	*Translation*	*GIS Lead*	*GIS*	*Env Rpt Graphics*	*Technical Editing*	*WCAG 2.1 AA Compliance*	*WP/ Clerical*			*Urban Design*	*Transportation, Traffic & Parking*	*Biological & Archeo/Paleo & Historical*			
	Hourly Rate:	**$290**	**$235**	**$285**	**$170**	**$270**	**$190**	**$140**	**$175**	**$150**	**$260**	**$255**	**$250**	**$230**	**$190**	**$185**	**$170**	**$160**	**$145**	**$260**	**$160**	**$135**	**$170**	**$170**	**$150**								
Task 1. Project Kickoff and Alignment																																
1.1	Kickoff meeting (Virtual)	8	16	8	8		16																			**56**	**$12,760**				**$0**	**$0**	**$12,760**
	Task 1. Subtotal	**8**	**16**	**8**	**8**	**0**	**16**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**56**	**$12,760**	**$0**	**$0**	**$0**	**$0**	**$0**	**$12,760**
Task 2. Opportunity Assessment																																
2.1	Opportunity Analysis	16	36			50	80	70						6							48					**306**	**$60,660**				**$0**	**$0**	**$60,660**
2.2	Opportunity Framework	6	10			6	24																			**46**	**$10,270**				**$0**	**$0**	**$10,270**
	Task 2. Subtotal	**22**	**46**	**0**	**0**	**56**	**104**	**70**	**0**	**0**	**0**	**0**	**0**	**6**	**0**	**0**	**0**	**0**	**0**	**0**	**48**	**0**	**0**	**0**	**0**	**352**	**$70,930**	**$0**	**$0**	**$0**	**$0**	**$0**	**$70,930**
Task 3. Vision																																
3.1	Comparative District Analysis	6	16			6	8																			**36**	**$8,640**				**$0**	**$0**	**$8,640**
3.2	Vision Statements	6	12			6	20																			**44**	**$9,980**				**$0**	**$0**	**$9,980**
	Task 3. Subtotal	**12**	**28**	**0**	**0**	**12**	**28**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**80**	**$18,620**	**$0**	**$0**	**$0**	**$0**	**$0**	**$18,620**
Task 4. Master Plan Development																																
4.1	Alterntatives + Land Use Statistical Summary	20	85			20	12	45													8					**190**	**$41,035**	**120440**			**$12,044**	**$132,484**	**$173,519**
4.2	Preferred Alternative	6	8			6	4																			**24**	**$6,000**	**46,020**			**$4,602**	**$50,622**	**$56,622**
4.3	Master Plan Document	8	12			4	12																8	8	8	**60**	**$12,420**	**54,800**			**$5,480**	**$60,280**	**$72,700**
4.4	3-D Base Model and Site Verification																									**0**	**$0**	**18,940**			**$1,894**	**$20,834**	**$20,834**
4.5	Design Project Mngt, Kick-Off Meeting, and Peer-Review																									**0**	**$0**	**37,685**			**$3,769**	**$41,454**	**$41,454**
	Task 4. Subtotal	**34**	**105**	**0**	**0**	**30**	**28**	**45**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**8**	**0**	**8**	**8**	**8**	**274**	**$59,455**	**$277,885**	**$0**	**$0**	**$27,789**	**$305,674**	**$365,129**
Task 5. Implementation Framework																																
5.1	Implementation Strategy	12	12	4		8	24																			**60**	**$14,160**				**$0**	**$0**	**$14,160**
5.2	Policy Plan and Zoning Updates																									**0**	**$0**				**$0**	**$0**	**$0**
5.2.1	Policy Plan Updates	4	6				8	6												8	8					**40**	**$8,290**				**$0**	**$0**	**$8,290**
5.2.2	Zoning Updates	20	60				40		150											8	16					**294**	**$58,390**				**$0**	**$0**	**$58,390**
5.3	Implementation Plan	24	40			40	40																8	8	8	**168**	**$38,680**				**$0**	**$0**	**$38,680**
	Task 5. Subtotal	**60**	**118**	**4**	**0**	**48**	**112**	**6**	**150**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**16**	**24**	**0**	**8**	**8**	**8**	**562**	**119520**	**$0**	**$0**	**$0**	**$0**	**$0**	**$119,520**
Task 6. Engagement Support																																
6.1	Stakeholder Support																									**0**	**$0**				**$0**	**$0**	**$0**
6.1.1	Stakeholder Engagement Phase I	8	30			10	12																			**60**	**$14,350**	**2,600**			**$260**	**$2,860**	**$17,210**
6.1.2	Stakeholder Engagement Phase II	10	16			10	6																			**42**	**$10,500**	**12,160**			**$1,216**	**$13,376**	**$23,876**
6.2	Public Engagement Support	16	40				40	40	20	20																**176**	**$33,740**	**19,340**			**$1,934**	**$21,274**	**$55,014**
	Task 6. Subtotal	**34**	**86**	**0**	**0**	**20**	**58**	**40**	**20**	**20**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**278**	**$58,590**	**$34,100**	**$0**	**$0**	**$3,410**	**$37,510**	**$96,100**
Task 7. Technical Studies																																
7.1	Air Quality, Energy, and GHG Emissions			2								25					121									**148**	**$27,515**				**$0**	**$0**	**$27,515**
7.2	Construction Health Risk (Convention Center)			2								10.5				42						6				**60.5**	**$11,828**				**$0**	**$0**	**$11,828**
7.3	Noise & Vibration			1							19						77					4				**101**	**$18,855**				**$0**	**$0**	**$18,855**
7.4	Wet and Dry Utilities			4										40				60								**104**	**$19,940**				**$0**	**$0**	**$19,940**
7.5	Water Supply Assessment (Convention Center)			1										16				20				3	3		3	**46**	**$8,530**				**$0**	**$0**	**$8,530**
7.6	Biological Resources			4																						**4**	**$1,140**			**$16,648**	**$1,665**	**$18,313**	**$19,453**
7.7	Cultural Resources			4																						**4**	**$1,140**			**$8,638**	**$864**	**$9,502**	**$10,642**
7.8	Historic Resources			4																						**4**	**$1,140**			**$21,644**	**$2,164**	**$23,808**	**$24,948**
7.9	Paleontological Resources			2																						**2**	**$570**			**$7,328**	**$733**	**$8,061**	**$8,631**
7.10	Transportation	4	8	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**24**	**$6,460**	$0	$96,185	$0	**$9,619**	**$105,804**	**$112,264**
7.10.1	Kickoff, Due Diligence, and Scoping			4																						**4**	**$1,140**		**$9,465**		**$947**	**$10,412**	**$11,552**
7.10.2	Transportation Master Planning	2	4																							**6**	**$1,520**		**$18,505**		**$1,851**	**$20,356**	**$21,876**
7.10.3	VMT Assessment			8																						**8**	**$2,280**		**$31,220**		**$3,122**	**$34,342**	**$36,622**
7.10.4	Air Quality and Noise Data																									**0**	**$0**		**$8,200**		**$820**	**$9,020**	**$9,020**
7.10.5	Master Plan	2	4																							**6**	**$1,520**		**$12,260**		**$1,226**	**$13,486**	**$15,006**
7.10.6	Outreach and Public Hearings																									**0**	**$0**		**$6,340**		**$634**	**$6,974**	**$6,974**
7.10.7	Meetings and Project Management																									**0**	**$0**		**$10,195**		**$1,020**	**$11,215**	**$11,215**
	Task 7. Subtotal	**4**	**8**	**36**	**0**	**0**	**0**	**0**	**0**	**0**	**19**	**35.5**	**0**	**56**	**0**	**42**	**198**	**80**	**0**	**0**	**0**	**13**	**3**	**0**	**3**	**497.5**	**$97,118**	**$0**	**$96,185**	**$54,258**	**$15,045**	**$165,488**	**$262,606**
Task 8. Environmental Processing																																
8.1	CEQA INITIATION	0	8	17	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	5	0	3	**57**	**$11,965**	0	0	0	**$0**	**$0**	**$11,965**
8.1.1	Project Description		8	16	16																	4	4		2	**50**	**$10,680**				**$0**	**$0**	**$10,680**
8.1.2	Tribal Consultation Letters			1	4																		1		1	**7**	**$1,285**				**$0**	**$0**	**$1,285**
8.2	NOP AND SCOPING MEETING	4	10	12	8	0	0	0	0	0	0	0	0	0	0	0	0	0	14	0	0	0	0	0	0	**48**	**$10,320**	0	0	0	**$0**	**$0**	**$10,320**
8.2.1	Notice of Preparation		2	4	8														2							**16**	**$3,260**				**$0**	**$0**	**$3,260**
8.2.2	Scoping Meeting	4	8	8	0														12							**32**	**$7,060**				**$0**	**$0**	**$7,060**
8.3	ADMIN DRAFT EIR	0	4	79	352	0	0	0	0	0	0	0	8	12	34	0	16	36	0	0	0	46	60	0	38	**685**	**$125,105**	0	0	0	**$0**	**$0**	**$125,105**
8.3.1	1st Admin Draft EIR	0	4	49	272	0	0	0	0	0	0	0	8	12	30	0	0	20	0	0	0	46	60	0	30	**531**	**$95,715**	0	0	0	**$0**	**$0**	**$95,715**
8.3.2	2nd Admin Draft EIR			30	80										4		16	16							8	**154**	**$29,390**				**$0**	**$0**	**$29,390**
8.4	PUBLIC REVIEW DRAFT EIR	0	0	24	24	0	0	0	0	0	0	0	0	0	2	0	4	4	4	0	0	0	0	34	0	**96**	**$18,980**	0	0	0	**$0**	**$0**	**$18,980**
	Public Review Edits + CEQAnet + County Clerk			24	24										2		4	4	4							**62**	**$13,200**				**$0**	**$0**	**$13,200**
	WCAG 2.0 Level AA processing																							34		**34**	**$5,780**				**$0**	**$0**	**$5,780**
8.5	FINAL EIR	0	0	34	28	0	0	0	0	0	4	24	4	4	0	0	0	0	0	0	0	0	8	0	10	**116**	**$26,390**	0	0	0	**$0**	**$0**	**$26,390**
8.5.1	Admin Draft Final EIR			30	20						4	24	4	4									8		6	**100**	**$23,290**				**$0**	**$0**	**$23,290**
8.5.2	Public Final EIR			4	8																				4	**16**	**$3,100**				**$0**	**$0**	**$3,100**
8.6	CERTIFICATION DOCUMENTS	0	0	19	80	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	0	6	**115**	**$21,615**	0	0	0	**$0**	**$0**	**$21,615**
8.6.1	MMRP			2	8																		1		1	**12**	**$2,250**				**$0**	**$0**	**$2,250**
8.6.2	FOF/SOC			16	68																		8		4	**96**	**$18,080**				**$0**	**$0**	**$18,080**
8.6.3	NOD			1	4																		1		1	**7**	**$1,285**				**$0**	**$0**	**$1,285**
8.7	MEETINGS			28	28						4	4		4												**68**	**$15,720**				**$0**	**$0**	**$15,720**
8.8	CEQA PROJECT MANAGEMENT			56	14																					**70**	**$18,340**				**$0**	**$0**	**$18,340**
	Task 8. Subtotal	**4**	**22**	**269**	**554**	**0**	**0**	**0**	**0**	**0**	**8**	**28**	**12**	**20**	**36**	**0**	**20**	**40**	**18**	**0**	**0**	**50**	**83**	**34**	**57**	**1,255**	**$248,435**	**$0**	**$0**	**$0**	**$0**	**$0**	**$248,435**
Task 9. Hearings																																
9.1	Hearings (1 PC + 1 CC)	8	16	16																						**40**	**$10,640**				**$0**	**$0**	**$10,640**
	Task 9. Subtotal	**8**	**16**	**16**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**40**	**$10,640**	**$0**	**$0**	**$0**	**$0**	**$0**	**$10,640**
Task 10. Project Management																																
10.1	Planning Project Management	60	92			8																				**160**	**$41,180**				**$0**	**$0**	**$41,180**
	Task 10. Subtotal	**60**	**92**	**0**	**0**	**8**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**160**	**$41,180**	**$0**	**$0**	**$0**	**$0**	**$0**	**$41,180**
	Labor Dollars Total	**246**	**537**	**333**	**562**	**174**	**346**	**161**	**170**	**20**	**27**	**64**	**12**	**82**	**36**	**42**	**218**	**120**	**18**	**16**	**80**	**63**	**102**	**50**	**76**	**3555**							
	Labor Hours Total	**$71,340**	**$126,195**	**$94,905**	**$95,540**	**$46,980**	**$65,740**	**$22,540**	**$29,750**	**$3,000**	**$7,020**	**$16,193**	**$3,000**	**$18,860**	**$6,840**	**$7,770**	**$37,060**	**$19,200**	**$2,610**	**$4,160**	**$12,800**	**$8,505**	**$17,340**	**$8,500**	**$11,400**		**$737,248**	**$311,985**	**$96,185**	**$54,258**		**$508,672**	**$1,245,920**
	PlaceWorks Percent of Total Labor	6.9%	15.1%	9.4%	15.8%	4.9%	9.7%	4.5%	4.8%	0.6%	0.8%	1.8%	0.3%	2.3%	1.0%	1.2%	6.1%	3.4%	0.5%	0.5%	2.3%	1.8%	2.9%	1.4%	2.1%	100.0%							
REIMBURSABLE EXPENSES																																
PlaceWorks Reimbursable Expenses																																$17,670
	Reimbursable Expenses Total																															$17,670
GRAND TOTAL																																**$1,263,590**
10% CONTINGENCY																																**$126,359**
GRAND TOTAL WITH CONTINGENCY																																**$1,389,949**

*Optional Tasks are not included in the budget, but estimated fee can be provided upon request

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Fire Department Prepared By: Sagar Patel Staff Member Presenting: Mike Gerken, Fire Chief Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 4

SUBJECT: **AUTHORIZE THE PURCHASE AND INSTALLATION OF MICROWAVE RADIO EQUIPMENT FROM AVIAT U.S., INC. FOR THE FIRE ADMINISTRATION BUILDING PROJECT**

RECOMMENDATION: That the City Council authorize the City Manager, or designee, to execute the purchase and installation of microwave radio equipment from Aviat U.S., Inc., of Austin, TX, for a not-to-exceed amount of $229,541.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety

FISCAL IMPACT: The Fiscal Year 2026-27 Adopted Budget includes appropriations in the Capital Projects Fund for the Fire Administration Building Project. The proposed contract with Aviat U.S., Inc. for the procurement and installation of microwave radio equipment for the Fire Administration Building is for a total contract not-to-exceed amount of $229,541.

BACKGROUND & ANALYSIS: On June 4, 2024, the City Council approved the construction of the new Ontario Fire Administration Building. The Fire Administration Building consists of a three-story, 32,062 SF, Type II-B building, with associated on-site and off-site improvements and is located at the southeast corner of Francis Street and Parco Avenue. Construction is well underway, with completion anticipated in February 2027. The new Fire Administration Building will house the Ontario Fire 911 Dispatch Center and Emergency Operations Center (EOC). Aviat Networks' microwave technology is used to transmit all San Bernardino County 700/800 MHz emergency radio traffic to and from the new 911 dispatch center. The Aviat Networks IRU600 (11 GHz EHP) Microwave Radio solution is required to conform to the San Bernardino County-wide microwave network and will be maintained and supported solely by San Bernardino County under the City contract after the initial one-year Aviat Networks warranty expires. San Bernardino County radio support staff are trained and certified on the Aviat technology. They also stock replacement hardware in the event of a microwave network outage. For these reasons, a sole-source, non-competitive procurement with Aviat U.S., Inc. is recommended and will maintain compatibility with the Countywide public safety radio system and preserve established maintenance and emergency support.

Therefore, Staff recommends approval of the purchase and installation of the proposed Aviat IRU600 (11 GHz EHP) Microwave Radio solution and related equipment from Aviat U.S., Inc. of Austin, TX in the not-to-exceed amount of $229,541 to maintain compatibility and interoperability with San Bernardino County's existing Aviat microwave infrastructure. Utilizing the same proven proprietary technology platform will ensure seamless integration, simplify network management, improve reliability, and provide consistent performance across the radio system.

ITEM	EQUIPMENT LIST DESCRIPTION	PRODUCT CODE PART NUMBER	UNIT PRICE	SYSTEM QTY	SYSTEM PRICE
1.000	**ECLIPSE PRODUCTS**				
1.100	**IRU ASSEMBLIES**				
1.101	IRU600v4 RFSEC ASSY MHSB RX UNEQUAL SPLIT, IF TR EHP 11 GHz, Filter-non ACCP	EV206-AEB-AE0-410000	$22,365	2	$44,730
	Waveguide Extension Kits				
1.102	WG EXT KIT IRU600 V3 11GHZ SH1-PO1, 1+0/MHSB 2 ANT, MHSB/SD	179-530135-AA123	$333	1	$333
1.103	WG EXT KIT IRU600 V3 11GHZ SH4-PO4, 1+0/MHSB 2 ANT, MHSB/SD	179-530135-DD423	$1,629	1	$1,629
1.104	EXT BRKT KIT IRU600 4 SHELF	179-530089-003	$210	2	$420
1.200	**INUe Components**				
1.201	ECLIPSE, INTELLIGENT NODE UNIT 2RU, INC IDCE, FAN, NCCV4, HIGH OUTPUT	EXX-000-206	$1,880	2	$3,760
1.202	NODE PROTECTION CARD, HIGH OUTPUT	EXS-002	$310	2	$620
1.203	KIT BRACKET 2RU (179-530064-001_R001)	179-530064-001	$19	2	$38
	Modem Card				
1.204	RAC 70v2, QPSK-4096QAM, NO XPIC, ACM	EXR-700-002	$840	4	$3,360
	L2 Switch Card				
1.205	DAC GE3 GIGABIT ETHERNET SWITCH CARD	EXD-181-002	$950	4	$3,800
1.206	CABLE PROT / BRIDGEING GE3, DIRECT FIT, 1M (VAHS-30-0342 REV X2)	037-579461-001	$57	2	$114
1.207	SFP Elec GIGE RJ45 100m 0 to 70C	083-845434-001	$104	2	$208
1.208	GIG ETH SFP, OPT MMF 850nm LC 1000BASE-SX, <550M (LM28-C3S-TC-N)	079-422662-001	$37	2	$74
1.209	CABLE, ETHERNET, CAT 5E, SHIELDED, 26 AWG, INDOOR, BOTH ENDS RJ45 (M) CONNECTORS, 2M (6.56'), BLACK	037-579124-002	$4	4	$16
	Auxilliary Card				
1.210	AUX, ALARM I/O CARD	EXA-001	$282	2	$564
1.211	CABLE, ALARM I/O, 24AWG, HD15 TO WIREWRAP, 15M (037-579470-015V_REVX1)	037-579470-015	$106	2	$212
1.300	**Licensing**				
1.301	50 Mbps Node radio capacity Licence	EZE-08001-EC	$106	2	$212
1.302	SECURE MANGEMENT, INU, inc SNMPV3 NODAL	EZF-03-EC	$1,847	2	$3,694
1.303	PAYLOAD ENCRYPTION NODAL RAC70/7X/60/6X/60E/6XE	EZF-04-EC	$1,232	2	$2,464
1.304	RADIUS CLIENT, NODAL CENTRALIZED USER ACCT MGMT	EZF-06-EC	$462	2	$924
2.000	**Rack and Accessories**				
2.001	RACK ASSY CRATED, 7' CHATSWORTH ALUMINUM, 1 BREAKER PNL W/10 BLANK COVERS AND NO BREAKERS	179-530307-0113	$1,754	1	$1,754
2.002	GROUND BAR,KIT,RACK,R56 COMPLIANT,72 INCHES L X 5/8 INCHES WIDE X 1/4 INCHES DEPTH (TRGBVKIT145872AWA)	LOC-TRGBVKIT145872W	$678	1	$678
2.003	CHANNEL MOUNTING, FORWARD, U-SHAPE, 4 INCHES LONG (FORWARD) X 5/8 INCHES WIDE X 1.75 INCHES HIGH (1 RU)	020-018475-005	$24	3	$72
2.004	COMMON BREAKERS & BLANKING PLUGS PER RACK PER DRAWING	COMMON-BREAKERS-RACK	$89	2	$178
3.000	**Antenna System**				
3.100	**11GHz Antennas**				
3.101	ANTENNA, 10/11 GHz, 1.0M (3ft), SENTINEL, HP, REMOTE MOUNT, DISH (STD: WHITE), 10.125 - 11.700 GHz, RADOME (STD: GRAY), DUAL POL., Class III+/FCC101A, SINGLE PIECE REFLECTOR, 250 KMPH, 200 KMPH (SHPX3-11W-6WH/B)	AND-SHPX3-11W-6WH	$2,055	2	$4,110
3.102	TERMINATION LOAD,WAVEGUIDE,10/11 GHZ,BLOCK (LOAD),MATING FLANGE,PDR100/CPR90G,DUAL POLARIZED,RAM TYPE (112614-100)	AND-112614-100	$394	2	$788
3.103	STRUT, INBOARD SIDE KIT FOR 3 FT, 4 FT AND 6 FT COMMSCOPE MICROWAVE ANTENNAS (VSTRUT-P3KIT)	086-000011-002	$255	2	$510
3.200	**11GHz Waveguide and Accessories**				
3.201	ELLIPTICAL WAVEGUIDE STANDARD, 10.2-11.7 GHZ, BLACK PE JACKET, PER FOOT (EW90-F)	AND-EW90-F	$11	262	$2,882
3.202	EW90INSTALL-KIT (ONE KIT PER WAVEGUIDE RUN) (EW90INSTALL-KIT)	AND-EW90INSTALL-KIT	$1,865	2	$3,730
3.203	HARDWARE-KIT (ONE KIT PER 100FT)	179-530526-001	$476	4	$1,904
3.204	WAVEGUIDE CUSHION HANGER, KITS, EW90, 1 HOLE (BAG OF 5 KITS)	018-510090-001	$101	28	$2,828
3.205	ENTRY BOOT, KIT, FOR EW90 AND EWP90, 4", 3-HOLE (BAEW903)	VLT-BAEW903	$73	2	$146
3.300	**Dehydrator**				
3.310	DEHYDRATOR, AUTOMATIC, LAB4.50, 10-60 KPA, 300 L/H, 100-240VAC 50/60 HZ AND 48-60VDC INPUT, ETHERNET, 6 OUTLETS 3/8", INC. PWR CABLE 3M, 30M TUBING, 6 STRAIGHT + 6 X 90 DEG. FITTING, MOUNTING: WALL, FLOOR/RACK, VIBRATION FEET K16796 (C16600 602)	CIR-C16600 602	$5,959	1	$5,959

This sales quotation and any resulting Customer order ("Order") are subject to Aviat Networks standard terms and conditions of sale ("Conditions"), which are available at the following web site: http://www.aviatnetworks.com/media/files/AVWN_STCS.pdf. However, if an Order is issued under or in connection with an applicable master agreement between Aviat and Customer (an "Existing Agreement"), then the Existing Agreement will govern and control the Order.

ITEM	EQUIPMENT LIST DESCRIPTION	PRODUCT CODE PART NUMBER	UNIT PRICE	SYSTEM QTY	 PRICE
3.311	FILLER PANEL; 3 RU, 19"W X 5.22"H; CLEAR (30024-503)	CHT-30024-503	$48	1	$48
3.312	MANIFOLD, 1 PORT INLET, 2 PORTS OUTLET AND SHUT OFF VALVES, 3/8" PUSH-ON FITTING	CIB-K15019-007	$300	1	$300
3.313	FEED THROUGH ENTRY PANEL, 102MM (4") 4 HOLES, 2X2 (FTP4-2X2)	RFS-FTP4-2X2	$116	1	$116
4.000	**DC Power System**				
4.100	**Eltek FPS Intrepid DC Power System**				
4.200	ACCESS, 200 AMP MAX, LVBD & SHUNT, 2RU, 19", MID/FLUSH MOUNT, 6 EMPTY RECTIFIER POSITIONS, 4 LOAD BREAKER. 2 BATTERY BREAKER AND 10 GMT POSITIONS (NOT INCLUDED) (FPSK59I-ANL-VC)	ELT-FPSK59I-ANL-VC	$3,335	1	$3,335
4.300	RECTIFIER, FOR FLATPACK S INTREPID, 1 RU, 100-250 VAC INPUT, 48 VDC OUTPUT, 1800 WATTS, 37.5 AMP @ 220 VAC INPUT, 20 AMP @ 110 VAC INPUT (241122.125.VC)	ELT-241122.125.VC	$1,307	6	$7,842
4.400	SMARTPACK S CONTROLLER WITH A01 PROFILE: 48V FP S, 2RU STANDARD CONFIGURATION, SNMP (SPS-FPS200-A01-VV)	ELT-SPS-FPS200-A01-VV	$1,223	1	$1,223
4.500	BLIND PANEL, FOR EMPTY FLATPACK S INTREPID RECTIFIER SLOT (331E00116500)	ELT-331E00116500	$42	3	$126
4.510	CABLE, DUAL HEADED LINE CORD, 2x AMP MATE-N-LOCK CONNECTORS TO UNTERMINATED, 10AWG, 20FT	ELT-LC2010-UU	$252	3	$756
4.520	CIRCUIT BREAKER, 30 AMP PLUG-IN BULLET, MIDTRIP (CBB030M)	ELT-CBB030M	$43	4	$172
4.620	CIRCUIT BREAKER, 20 AMP PLUG-IN BULLET, MIDTRIP (CBB020M)	ELT-CBB020M	$49	4	$196
4.720	BREAKER, PLUG-IN 125A BULLET BUS STRAP WITH C-FRAME HOUSING, FOR BRIDGING CIRCUIT BREAKER POSITION, SINGLE-POLE (338437)	ELT-338437	$49	2	$98
4.820	PULLER, FOR BULLET BREAKER (BBPULR-01)	ELT-BBPULR-01	$53	1	$53
5.820	RACK, ZONE 4 STEEL, RELAY RACK 7" X 19 (S07-420399-001)	LOC-S07-420399-001	$1,740	1	$1,740
5.920	**Enersys 48V Battery Set**				
6.020	BATTERY, SET OF 4 X 12V125F BATTERY CELLS, 48V, 125 AH, 8 RU HEIGHT, 4.1" WIDTH/CELL, 22.1" DEPTH/CELL, INCLUDES ALL INTERCONNECT STRAPS, HARDWARE AND INSTALL MANUAL, FRONT ACCESS, NO TRAY	ENE-A12V125F	$3,487	2	$6,974
6.120	BATTERY CABLE KIT, 100A, 20 FEET, #4 BLACK WIRE AND LUGS, FOR 4 BATTERY BREAKERS (CONNECT BATTERIES IN FRONT OR REAR), WITHOUT ALARM CABLE (289733)	ELT-289733	$356	2	$712
6.220	BATTERY TRAY KIT, 19 INCHES, WITH 100AMP DISCONNECT BREAKER (259243)	ELT-259243	$705	2	$1,410
7.000	**Services**				
7.100	**Factory Integration Services**				
7.101	RADIO INTEGRATION	SVCS-IN-SIPQ-RI	$2,254	1	$2,254
7.102	CONFIG ENG / DOCUMENTATION / DRAFTING	SVCS-IN-SS-CEDFT	$2,096	1	$2,096
7.200	**Engineering Services**				
7.201	NETWORK/SYSTEM ENGINEERING	SVCS-PN-EN-SE	$2,844	1	$2,844
7.202	FREQUENCY AND LICENSE APPLICATIONS	SVCS-PN-EN-XE	$1,414	1	$1,414
7.203	PROJECT ENGINEERING - SITE SURVEY	SVCS-IN-SS-PE	$7,271	1	$7,271
7.204	Path and Site Survey (Completed under NA220610-83909)	SVCS-PN-EN-XE			
7.300	**Installation, Testing and Removal Services**				
7.301	FIELD INSTALL (RADIOS) - Includes Radio and Testing	SVCS-IN-IC-FI	$19,325	1	$19,325
7.302	FIELD INSTALL (ANTENNAS) - Including Pipe mount at Aerojet	SVCS-IN-IC-AS	$43,082	1	$43,082
7.303	DC Power Supply Installation at Fire Dispatch	SVCS-IN-IC-FI	$5,483	1	$5,483
7.400	**Project Management**				
7.401	PROGRAM MANAGEMENT	SVCS-IN-PM-PM	$5,695	1	$5,695
7.402	PROJECT ENGINEERING	SVCS-IN-SS-SS	$5,495	1	$5,495
8.000	**AviatCare / Warranty Support**				
8.001	WARRANTY PLUS IW- NA&C, 36 MONTHS, IRU-600 (Year 1 - 3)	SNA-BWXXA1003638	$374	4	$1,496
9.000	**Tax & Freight**				
9.001	Estimated Freight	FREIGHT	$4,965	1	$4,965
9.002	Estimated Sales Tax; Sales Tax Rate = 8.75%	TAX-CSV	$10,309	1	$10,309
	Grand Total (Including Applicable Sales Taxes and Freight)				**$229,541**

This sales quotation and any resulting Customer order ("Order") are subject to Aviat Networks standard terms and conditions of sale ("Conditions"), which are available at the following web site: http://www.aviatnetworks.com/media/files/AVWN_STCS.pdf. However, if an Order is issued under or in connection with an applicable master agreement between Aviat and Customer (an "Existing Agreement"), then the Existing Agreement will govern and control the Order.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764 (909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

DEBRA PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
GOODS & SERVICES AGREEMENT

This Agreement is made and entered into as of _____, by and between the City of Ontario, a municipal corporation organized under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City") and **Aviat U.S., Inc.** a **Delaware Corporation** with its principal place of business at **200C Parker Drive, Suite 100A, Austin, Texas 78728** ("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 **Fire Administration Building Microwave Radio System Equipment and 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 **October 6, 2026** to **June 30, 2026**, 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 "A" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Two Hundred Twenty-Nine Thousand, Five Hundred Forty-One Dollars ($229,541)** without written approval of 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 invoice which indicates work completed and Services rendered by Vendor and Goods provided. The invoice 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 invoice. City shall, within 30 days of receiving such invoice, 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 a Vendor 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 unless mutually agreed to by the parties. 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 Goods is found to be in accordance with the City's specifications. Goods shall be inspected and accepted within ten (10) business days of delivery to City's designated delivery site. 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 during Vendor's warranty period 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 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. City shall provide prior written notice requesting removal of Vendor's employee and detailing the reason for such dissatisfaction.

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 per Vendor's warranty period, from the date of 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, any defective Goods within three (3) business days of notice or as agreed to by the parties. and in case of emergency, as determined by the parties. 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 applicable 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 applicable notices required by law. Vendor shall be liable for all violations of such applicable 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 applicable 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 applicable training programs that meet the requirements of this paragraph.

4.10.7.4 4.10.7.4 Risk of Loss and Title. Title to Goods and risk of loss shall transfer to City upon delivery to City's designated delivery site. Project Management

4.11 City's Representative. The City hereby designates **Samuel Scott Brown**, 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.

4.12 Vendor's Representative. Vendor hereby designates **Hermogenes Decano** , 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.

5. INSURANCE.

5.1 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.

5.2 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 levels of coverage:

5.2.1 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) liability assumed under an insured contract (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.

5.2.2 Limits of Insurance. Vendor shall maintain limits of: (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.

5.2.3 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 $1,000,000.

5.2.4 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.

5.2.5 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.

5.3 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:

5.3.1 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.

5.3.2 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.

5.3.3 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.

5.3.4 All Coverages. Each insurance policy required by this Agreement (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.

5.4 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 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.

5.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City.

5.6 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.

5.7 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.

5.8 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 request complete, certified copies of all required insurance policies, at any time.

5.9 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.

6. INDEMNIFICATION.

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 reasonable 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.

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 reasonable attorney's fees and costs, including reasonable expert witness fees. Vendor shall reimburse City and its officials, employees, agents and volunteers, for any and all reasonable 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.

IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR (A) ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY PARTY, INCLUDING THIRD PARTIES, EVEN IF SUCH DAMAGES ARE FORESEEABLE, OR (B) LOSS OF REVENUE, LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE OR LOST SAVINGS, ARISING FROM OR RELATED TO THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY IN THEIR ESSENTIAL PURPOSE. THIS LIMITATION SHALL APPLY TO ANY CLAIM OR CAUSE OF ACTION WHETHER IN CONTRACT OR TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY OR BREACH OF WARRANTY).

IN NO EVENT SHALL VENDOR'S TOTAL LIABILITY TO CITY OR ANY PARTY CLAIMING THROUGH CITY EXCEED THE GREATER OF THREE HUNDRED THOUSAND UNITED STATES DOLLARS ($300,000.00 USD) OR THE ACTUAL SALES PRICE PAID BY CITY FOR ANY GOODS OR SERVICES SUPPLIED HEREUNDER, EXCLUDING ANY CHARGES STATED SEPARATELY FROM THE GOODS OR SERVICES PRICE ON THE INVOICE.

7. CALIFORNIA LABOR CODE

7.1 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.

7.2 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.

7.3 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.

8. 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.

9. 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. Upon prior written notice to Vendor, 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 applicable 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.

10. TERMINATION OF AGREEMENT.

10.1 Grounds for Termination. City may, by prior 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 ten (10) business 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 up to and including the date of termination, and Vendor shall be entitled to no further compensation. If terminated for cause because the Vendor refused or failed to deliver the Goods in accordance with the terms of this Agreement, 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 and City's material breach of this Agreement. 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.

10.2 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) business days of the request.

10.3 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.

11. GENERAL PROVISIONS.

11.1 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:

Aviat U.S., Inc.
200C Parker Drive, Suite 100A
Austin, Texas 78728
Attn: Legal Department

City:

City of Ontario
303 East "B" Street
Ontario, CA 91764-4196
Attn: **Samuel Scott Brown**

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.

11.2 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.

11.3 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.

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

11.5 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.

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

11.7 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, which consent shall not be unreasonably withheld. 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.

11.8 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.

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

11.10 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.

11.11 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.

11.12 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.

11.13 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.

11.14 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.

11.15 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.

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

11.17 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 AVIAT U.S., 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

AVIAT U.S., INC.

By: _____

Its: President & CEO _____

Printed Name: Pete Smith _____

By: _____

Its: VP General Counsel/Secretary _____

Printed Name: Erin Boase _____

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

ITEM	EQUIPMENT LIST DESCRIPTION	PRODUCT CODE PART NUMBER	UNIT PRICE	SYSTEM QTY	SYSTEM PRICE
1.000	**ECLIPSE PRODUCTS**				
1.100	**IRU ASSEMBLIES**				
1.101	IRU600v4 RFSEC ASSY MHSB RX UNEQUAL SPLIT, IF TR EHP 11 GHz, Filter-non ACCP	EV206-AEB-AE0-410000	$22,365	2	$44,730
	Waveguide Extension Kits				
1.102	WG EXT KIT IRU600 V3 11GHZ SH1-PO1, 1+0/MHSB 2 ANT, MHSB/SD	179-530135-AA123	$333	1	$333
1.103	WG EXT KIT IRU600 V3 11GHZ SH4-PO4, 1+0/MHSB 2 ANT, MHSB/SD	179-530135-DD423	$1,629	1	$1,629
1.104	EXT BRKT KIT IRU600 4 SHELF	179-530089-003	$210	2	$420
1.200	**INUe Components**				
1.201	ECLIPSE, INTELLIGENT NODE UNIT 2RU, INC IDCE, FAN, NCCV4, HIGH OUTPUT	EXX-000-206	$1,880	2	$3,760
1.202	NODE PROTECTION CARD, HIGH OUTPUT	EXS-002	$310	2	$620
1.203	KIT BRACKET 2RU (179-530064-001_R001)	179-530064-001	$19	2	$38
	Modem Card				
1.204	RAC 70v2, QPSK-4096QAM, NO XPIC, ACM	EXR-700-002	$840	4	$3,360
	L2 Switch Card				
1.205	DAC GE3 GIGABIT ETHERNET SWITCH CARD	EXD-181-002	$950	4	$3,800
1.206	CABLE PROT / BRIDGEING GE3, DIRECT FIT, 1M (VAHS-30-0342 REV X2)	037-579461-001	$57	2	$114
1.207	SFP Elec GIGE RJ45 100m 0 to 70C	083-845434-001	$104	2	$208
1.208	GIG ETH SFP, OPT MMF 850nm LC 1000BASE-SX, <550M (LM28-C3S-TC-N)	079-422662-001	$37	2	$74
1.209	CABLE, ETHERNET, CAT 5E, SHIELDED, 26 AWG, INDOOR, BOTH ENDS RJ45 (M) CONNECTORS, 2M (6.56'), BLACK	037-579124-002	$4	4	$16
	Auxilliary Card				
1.210	AUX, ALARM I/O CARD	EXA-001	$282	2	$564
1.211	CABLE, ALARM I/O, 24AWG, HD15 TO WIREWRAP, 15M (037-579470-015V_REVX1)	037-579470-015	$106	2	$212
1.300	**Licensing**				
1.301	50 Mbps Node radio capacity Licence	EZE-08001-EC	$106	2	$212
1.302	SECURE MANGEMENT, INU, inc SNMPV3 NODAL	EZF-03-EC	$1,847	2	$3,694
1.303	PAYLOAD ENCRYPTION NODAL RAC70/7X/60/6X/60E/6XE	EZF-04-EC	$1,232	2	$2,464
1.304	RADIUS CLIENT, NODAL CENTRALIZED USER ACCT MGMT	EZF-06-EC	$462	2	$924
2.000	**Rack and Accessories**				
2.001	RACK ASSY CRATED, 7' CHATSWORTH ALUMINUM, 1 BREAKER PNL W/10 BLANK COVERS AND NO BREAKERS	179-530307-0113	$1,754	1	$1,754
2.002	GROUND BAR,KIT,RACK,R56 COMPLIANT,72 INCHES L X 5/8 INCHES WIDE X 1/4 INCHES DEPTH (TRGBVKIT145872AWA)	LOC-TRGBVKIT145872W	$678	1	$678
2.003	CHANNEL MOUNTING, FORWARD, U-SHAPE, 4 INCHES LONG (FORWARD) X 5/8 INCHES WIDE X 1.75 INCHES HIGH (1 RU)	020-018475-005	$24	3	$72
2.004	COMMON BREAKERS & BLANKING PLUGS PER RACK PER DRAWING	COMMON-BREAKERS-RACK	$89	2	$178
3.000	**Antenna System**				
3.100	**11GHz Antennas**				
3.101	ANTENNA, 10/11 GHz, 1.0M (3ft), SENTINEL, HP, REMOTE MOUNT, DISH (STD: WHITE), 10.125 - 11.700 GHz, RADOME (STD: GRAY), DUAL POL., Class III+/FCC101A, SINGLE PIECE REFLECTOR, 250 KMPH, 200 KMPH (SHPX3-11W-6WH/B)	AND-SHPX3-11W-6WH	$2,055	2	$4,110
3.102	TERMINATION LOAD,WAVEGUIDE,10/11 GHZ,BLOCK (LOAD),MATING FLANGE,PDR100/CPR90G,DUAL POLARIZED,RAM TYPE (112614-100)	AND-112614-100	$394	2	$788
3.103	STRUT, INBOARD SIDE KIT FOR 3 FT, 4 FT AND 6 FT COMMSCOPE MICROWAVE ANTENNAS (VSTRUT-P3KIT)	086-000011-002	$255	2	$510
3.200	**11GHz Waveguide and Accessories**				
3.201	ELLIPTICAL WAVEGUIDE STANDARD, 10.2-11.7 GHZ, BLACK PE JACKET, PER FOOT (EW90-F)	AND-EW90-F	$11	262	$2,882
3.202	EW90INSTALL-KIT (ONE KIT PER WAVEGUIDE RUN) (EW90INSTALL-KIT)	AND-EW90INSTALL-KIT	$1,865	2	$3,730
3.203	HARDWARE-KIT (ONE KIT PER 100FT)	179-530526-001	$476	4	$1,904
3.204	WAVEGUIDE CUSHION HANGER, KITS, EW90, 1 HOLE (BAG OF 5 KITS)	018-510090-001	$101	28	$2,828
3.205	ENTRY BOOT, KIT, FOR EW90 AND EWP90, 4", 3-HOLE (BAEW903)	VLT-BAEW903	$73	2	$146
3.300	**Dehydrator**				
3.31	DEHYDRATOR, AUTOMATIC, LAB4.50, 10-60 KPA, 300 L/H, 100-240VAC 50/60 HZ AND 48-60VDC INPUT, ETHERNET, 6 OUTLETS 3/8", INC. PWR CABLE 3M, 30M TUBING, 6 STRAIGHT + 6 X 90 DEG. FITTING,			1	$5,959

This sales quotation and any resulting Customer order ("Order") are subject to Aviat Networks standard terms and conditions of sale ("Conditions"), which are available at the following web site: http://www.aviatnetworks.com/media/files/AVWN_STCS.pdf. However, if an Order is issued under or in connection with an applicable master agreement between Aviat and Customer (an "Existing Agreement"), then the Existing Agreement will govern and control the Order.

ITEM	EQUIPMENT LIST DESCRIPTION	PRODUCT CODE PART NUMBER	UNIT PRICE	SYSTEM QTY	SYSTEM PRICE
3.311	FILLER PANEL; 3 RU, 19"W X 5.22"H; CLEAR (30024-503)	CHT-30024-503	$48	1	$48
3.312	MANIFOLD, 1 PORT INLET, 2 PORTS OUTLET AND SHUT OFF VALVES, 3/8" PUSH-ON FITTING	CIB-K15019-007	$300	1	$300
3.313	FEED THROUGH ENTRY PANEL, 102MM (4") 4 HOLES, 2X2 (FTP4-2X2)	RFS-FTP4-2X2	$116	1	$116
4.000	**DC Power System**				
4.100	**Eltek FPS Intrepid DC Power System**				
4.200	ACCESS, 200 AMP MAX, LVBD & SHUNT, 2RU, 19", MID/FLUSH MOUNT, 6 EMPTY RECTIFIER POSITIONS, 4 LOAD BREAKER. 2 BATTERY BREAKER AND 10 GMT POSITIONS (NOT INCLUDED) (FPSK59I-ANL-VC)	ELT-FPSK59I-ANL-VC	$3,335	1	$3,335
4.300	RECTIFIER, FOR FLATPACK S INTREPID, 1 RU, 100-250 VAC INPUT, 48 VDC OUTPUT, 1800 WATTS, 37.5 AMP @ 220 VAC INPUT, 20 AMP @ 110 VAC INPUT (241122.125.VC)	ELT-241122.125.VC	$1,307	6	$7,842
4.400	SMARTPACK S CONTROLLER WITH A01 PROFILE: 48V FP S, 2RU STANDARD CONFIGURATION, SNMP (SPS-FPS200-A01-VV)	ELT-SPS-FPS200-A01-VV	$1,223	1	$1,223
4.500	BLIND PANEL, FOR EMPTY FLATPACK S INTREPID RECTIFIER SLOT (331E00116500)	ELT-331E00116500	$42	3	$126
4.510	CABLE, DUAL HEADED LINE CORD, 2x AMP MATE-N-LOCK CONNECTORS TO UNTERMINATED, 10AWG, 20FT	ELT-LC2010-UU	$252	3	$756
4.520	CIRCUIT BREAKER, 30 AMP PLUG-IN BULLET, MIDTRIP (CBB030M)	ELT-CBB030M	$43	4	$172
4.620	CIRCUIT BREAKER, 20 AMP PLUG-IN BULLET, MIDTRIP (CBB020M)	ELT-CBB020M	$49	4	$196
4.720	BREAKER, PLUG-IN 125A BULLET BUS STRAP WITH C-FRAME HOUSING, FOR BRIDGING CIRCUIT BREAKER POSITION, SINGLE-POLE (338437)	ELT-338437	$49	2	$98
4.820	PULLER, FOR BULLET BREAKER (BBPULR-01)	ELT-BBPULR-01	$53	1	$53
5.820	RACK, ZONE 4 STEEL, RELAY RACK 7" X 19 (S07-420399-001)	LOC-S07-420399-001	$1,740	1	$1,740
5.920	**Enersys 48V Battery Set**				
6.020	BATTERY, SET OF 4 X 12V125F BATTERY CELLS, 48V, 125 AH, 8 RU HEIGHT, 4.1" WIDTH/CELL, 22.1" DEPTH/CELL, INCLUDES ALL INTERCONNECT STRAPS, HARDWARE AND INSTALL MANUAL, FRONT ACCESS, NO TRAY	ENE-A12V125F	$3,487	2	$6,974
6.120	BATTERY CABLE KIT, 100A, 20 FEET, #4 BLACK WIRE AND LUGS, FOR 4 BATTERY BREAKERS (CONNECT BATTERIES IN FRONT OR REAR), WITHOUT ALARM CABLE (289733)	ELT-289733	$356	2	$712
6.220	BATTERY TRAY KIT, 19 INCHES, WITH 100AMP DISCONNECT BREAKER (259243)	ELT-259243	$705	2	$1,410
7.000	**Services**				
7.100	**Factory Integration Services**				
7.101	RADIO INTEGRATION	SVCS-IN-SIPQ-RI	$2,254	1	$2,254
7.102	CONFIG ENG / DOCUMENTATION / DRAFTING	SVCS-IN-SS-CEDFT	$2,096	1	$2,096
7.200	**Engineering Services**				
7.201	NETWORK/SYSTEM ENGINEERING	SVCS-PN-EN-SE	$2,844	1	$2,844
7.202	FREQUENCY AND LICENSE APPLICATIONS	SVCS-PN-EN-XE	$1,414	1	$1,414
7.203	PROJECT ENGINEERING - SITE SURVEY	SVCS-IN-SS-PE	$7,271	1	$7,271
7.204	Path and Site Survey (Completed under NA220610-83909)	SVCS-PN-EN-XE			
7.300	**Installation, Testing and Removal Services**				
7.301	FIELD INSTALL (RADIOS) - Includes Radio and Testing	SVCS-IN-IC-FI	$19,325	1	$19,325
7.302	FIELD INSTALL (ANTENNAS) - Including Pipe mount at Aerojet	SVCS-IN-IC-AS	$43,082	1	$43,082
7.303	DC Power Supply Installation at Fire Dispatch	SVCS-IN-IC-FI	$5,483	1	$5,483
7.400	**Project Management**				
7.401	PROGRAM MANAGEMENT	SVCS-IN-PM-PM	$5,695	1	$5,695
7.402	PROJECT ENGINEERING	SVCS-IN-SS-SS	$5,495	1	$5,495
8.000	**AviatCare / Warranty Support**				
8.001	WARRANTY PLUS IW- NA&C, 36 MONTHS, IRU-600 (Year 1 - 3)	SNA-BWXXA1003638	$374	4	$1,496
9.000	**Tax & Freight**				
9.001	Estimated Freight	FREIGHT	$4,965	1	$4,965
9.002	Estimated Sales Tax; Sales Tax Rate = 8.75%	TAX-CSV	$10,309	1	$10,309
	Grand Total (Including Applicable Sales Taxes and Freight)				**$229,541**

This sales quotation and any resulting Customer order ("Order") are subject to Aviat Networks standard terms and conditions of sale ("Conditions"), which are available at the following web site: http://www.aviatnetworks.com/media/files/AVWN_STCS.pdf. However, if an Order is issued under or in connection with an applicable master agreement between Aviat and Customer (an "Existing Agreement"), then the Existing Agreement will govern and control the Order.

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Lance Verdugo Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Rene Guerrero, Jacqueline Leon Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 5

SUBJECT: **AN AMENDMENT TO THE GOODS AND SERVICES AGREEMENT WITH CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC., FOR THE PURCHASE OF ELECTRIC VEHICLE CHARGERS AND SUPPLIES**

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Goods and Services Agreement with Consolidated Electrical Distributors, Inc.,(CED) of Buena Park, California, for the purchase of electric vehicle chargers and supplies in the amount of $369,813, for a total not-to-exceed contract amount of $963,398, and exercise two one-year extension options, extending the term of the Agreement through June 30, 2029.

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

FISCAL IMPACT: The recommended Amendment No. 1 to the Goods and Services Agreement with Consolidated Electrical Distributors, Inc., provides for a combined amount of $369,813 for a total not-to-exceed contract amount of $963,398 over the five-year term of the Agreement.

The Fiscal Year 2026-27 Adopted Budget includes appropriations in the Parking Fund and Facilities Maintenance Fund for the purchase of electric vehicle chargers and supplies. If approved, additional appropriations in the Capital Projects – Measure Q and Air Quality Improvement Funds will be included in future quarterly budget updates to the City Council for electric supplies needed for the Latimer Field Concession and Restroom Renovation Project at John Galvin Park.

BACKGROUND & ANALYSIS: On July 16, 2024, the City Council approved a Goods and Services Agreement with CED, for the purchase of electrical and lighting supplies with a total contract amount not-to-exceed $593,585. The Agreement provides for an initial three-year term through June 30, 2027, with two additional one-year extension options. The Public Works Agency maintains approximately 90 City facilities. The purchase of electrical and lighting supplies is necessary for preventative maintenance, scheduled repairs, and emergency repairs resulting from unexpected equipment failures and vandalism.

On September 17, 2024, the City Council accepted $218,330 in Energy Efficiency and Conservation Block Grant funding from the U.S. Department of Energy. The funding is provided through an equipment rebate voucher, and does not require a local cost sharing. The electric vehicle chargers will be installed at the Public Works Yard, located at 1425 South Bon View Avenue, for use by the City's fleet. Expanding the City's electric vehicle charging infrastructure is essential to supporting the City's continued transition to a more sustainable municipal fleet, improve air quality, and advance the City's goal of being the premier community in the Inland Empire.

On May 6, 2025, the City Council approved a Construction Contract with 3M Construction Corporation for the Latimer Field Concession and Restroom Renovation Project at John Galvin Park. As the project progresses into its second phase, additional electrical supplies are needed for the project's switchgear required to complete the project.

The City is requesting a noncompetitive procurement to expand the existing Agreement with CED. Standardizing the City's electric vehicle charging equipment will avoid software compatibility issues, reduce the need to manage multiple licensing agreements and network platforms, and support smart charging and automated load balancing. This approach will improve operational reliability while reducing equipment downtime and costs.

Staff recommends approving Amendment No. 1 to the Goods and Services Agreement with CED to increase the contract authority by $369,813 for the purchase of electric vehicle chargers and other electrical supplies needed to support the City's fleet and facility operations, as well as completion of the Latimer Field Concession and Restroom Renovation Project. Staff also recommends exercising the two additional one-year extension options, extending the term of the Agreement through June 30, 2029.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

DEBRA PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 1 TO THE GOODS & SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND CONSOLIDATED ELECTRICAL DISTRIBUTORS, 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 **Consolidated Electrical Distributors, Inc.** a C Corporation ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Contractor have entered into an agreement entitled "**Goods and Services Agreement**" dated **July 16, 2024**. ("Agreement").

2.2 Amendment Purpose. The City and Contractor desire to amend the Agreement for the purchase of electric vehicle chargers and supplies in the amount of $369,813 and exercise two (2) one-year extension options, extending the term of the Agreement through June 30, 2029. The Parties have heretofore entered into that Agreement dated July 16, 2026.

2.3 Amendment Authority. This Amendment No. 1 is authorized pursuant to Section 3.7.11 and, 3.7.19 of the Agreement, and 3.7.19 of the Agreement, and G. L. Christian & Associates v. United States 312 F.2d 418 (Ct. Cl. 1963).

3. Terms.

3.1 Amendment. Section 2.1 and 3.2.1 Exhibit "D" of the Agreement is hereby amended in its entirety to read as follows:

"2.1 The term of this Agreement shall be from **July 1, 2024 to June 30, 2029** unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement, automatically for no more than two (2) one-year terms. 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."

"3.2.1 Compensation. Contractor 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 **Nine Hundred Sixty-Three Thousand Three Hundred Ninety-Eight ($963,398)** without written approval of 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"

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

Exhibit "D" to the Agreement, which was inadvertently not physically inserted into the original Agreement, is attached hereto as Attachment D and is hereby physically inserted into the Agreement retroactive to July 16, 2024.

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 GOODS AND SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND CONSOLIDATED ELECTRICAL DISTRIBUTORS, 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 Manger

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

Attachment C

Customer Quote For: CITY OF ONTARIO

CED - ONTARIO **Quote:** Q1074346 **Revision #:** 002

9820 HAWTHORNE DR
RANCHO CUCAMONGA CA 91730
Tel: (909)983-2654

Contact Name: ROBERT CONOVER

Job Name: DOWNTOWN MOBILITY HUB
Attn:
Ship To: CITY OF ONTARIO
9820 HAWTHORNE DR
RANCHO CUCAMONGA, CA
91730-7954

Quote Date: 08/14/26
Updated On: 08/14/26
Expires On: 08/28/26

Customer PO #:
Customer PO Date:
FOB: SHIPPING POINT
Freight: PREPAID

LN	Product	Qty Avail	Lead Time	Qty	Price	Per *	Ext Price
01	AUTEL AC ULTRA (2 PORTS: 1 DUALS)						
02	. MU38FP5C AC ULTRA FULL SET DUAL PEDESTAL	0		14	$7,450.00	E	$104,300.00
03	. ACUPRE AC ULTRA PRE-COMMISSIONING	0		14	$450.00	E	$6,300.00
04	AMP UP						
05	. AMPUP 5 YEARS SOFTWARE L2 PROPLAN	0		28	$1,594.00	E	$44,632.00
06	. AMPUP PROACTIVEMONITORING	0		14	$600.00	E	$8,400.00
07	. AMPUP L2 ACTIVATION FEE	0		28	$100.00	E	$2,800.00

Merchandise: $166,432.00
Additional Sales Tax May Apply:
Total: $166,432.00

PLEASE NOTE: THIS IS NOT AN OFFER TO CONTRACT, BUT MERELY A QUOTATION OF CURRENT PRICES FOR YOUR CONVENIENCE AND INFORMATION. ORDERS BASED ON THIS QUOTATION ARE SUBJECT TO YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS LOCATED AT SALES.OUR-TERMS.COM, WHICH WE MAY CHANGE FROM TIME TO TIME WITHOUT PRIOR NOTICE. WE MAKE NO REPRESENTATION WITH RESPECT TO COMPLIANCE WITH JOB SPECIFICATIONS.

* Per E = Each, C = Hundred, M = Thousand

Terms and Conditions

Customer Quote For: COD

CED - GREATER LA **Quote:** Q1078491 **Revision #:** 003

CONSOLIDATED ELECTRICAL DISTRIBUTORS
6781 8TH ST
BUENA PARK CA 90620
Tel: (714)956-5156 **Fax:** (714)956-5157

Contact Name: SAM SEAN

Job Name: CITY OF ONTARIO
Attn:
Ship To: CITY OF ONTARIO
6781 8TH ST
BUENA PARK, CA 90620-1097

Quote Date: 07/29/26
Updated On: 07/29/26
Expires On: 08/28/26

Customer PO #:
Customer PO Date:
FOB: SHIPPING POINT
Freight: PREPAID

LN	Product	Qty	Price	Per *	Ext Price
01	**AC ULTRA (12 PORTS: 6 DUALS)**				
02	AUTEL MU38FP5C AC ULTRA FULL SET DUAL PEDESTAL	6	$7,450.00	E	$44,700.00
03	AUTEL ACUPRE AC ULTRA PRE-COMMISSIONING	6	$450.00	E	$2,700.00
04	**60KW DC FAST (4 PORTS: 2 DUALS)**				
05	AUTEL UF060A3001 MAXICHARGER 60KW DC FAST	2	$31,750.00	E	$63,500.00
06	AUTEL POSA NAYAX POS (CREDIT CARD READER)	2	$1,100.00	E	$2,200.00
07	AUTEL DFCMSA DC FAST CMS	2	$3,300.00	E	$6,600.00
08	AUTEL DFCPRE DC FAST PRE-COMMISSIONING	2	$1,350.00	E	$2,700.00
09	**AMP UP**				
10	AMPUP AMPUP 5 YEARS SOFTWARE L2 PROPLAN	12	$1,594.00	E	$19,128.00
11	AMPUP AMPUP 5 YEARS SOFTWARE PLANL3 PRO PLAN	2	$4,125.00	E	$8,250.00
12	AMPUP AMPUP PROACTIVEMONITORING	6	$600.00	E	$3,600.00
13	AMPUP AMPUP PROACTIVEMONITORING	2	$600.00	E	$1,200.00
14	AMPUP AMPUP L2 ACTIVATION FEE	12	$100.00	E	$1,200.00
15	AMPUP AMPUP L3 ACTIVATION FEE	2	$250.00	E	$500.00

Merchandise:	$156,278.00
Additional Sales Tax May Apply:	
Total:	$156,278.00

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Terms and Conditions

Customer Quote For: CITY OF ONTARIO

CED - ONTARIO — **Quote:** Q1074406 **Revision #:** 005

9820 HAWTHORNE DR
RANCHO CUCAMONGA CA 91730
Tel: (909)983-2654

Contact Name: PAT WORK

Quote Date: 08/20/26
Updated On: 08/20/26
Expires On: 09/03/26

Job Name:
Attn:
Ship To: CITY OF ONTARIO
WILL CALL AT
CED
ONTARIO, CA 91762-0000

Customer PO #:
Customer PO Date:
FOB: SHIPPING POINT
Freight: PREPAID

LN	Product	Qty Avail	Lead Time	Qty	Price	Per *	Ext Price
01	PVC CONDS804 4-IN-PVC-SCHED-80-10FT	0		260	$504.00	C	$1,310.40
	"EXTRA HEAVY WALL TYPE; PVC MATERIAL; 10 FOOT; 3.737 INCH INNER DIAMETER; 4.5 INCH OUTER DIAMETER; DIRECT BURIAL/CONCRETE ENCASEMENT INSTALLATION; 80 S SCHEDULE; UL 651, ETL APPROVAL; NEMA TC-2, WC1094A APPLICABLE STANDARD; 4 INCH TRADE SIZE"						
02	PVC ELS804X48 4-IN-48RAD-90DEG-SCH-80-ELL	0		8	$137.00	E	$1,096.00
	SPECIAL RADIUS TYPE; PVC MATERIAL; 80 SCHEDULE; UL 651, ETL APPROVAL; 4 INCH TRADE SIZE; 90 DEG BEND ANGLE; PLAIN END STYLE; 48 INCH BEND RADIUS						
03	PVC CONDS805 5-IN-PVC-SCHED-80-10FT	0		100	$737.00	C	$737.00
	"EXTRA HEAVY WALL TYPE; PVC MATERIAL; 10 FT; 4.813 INCH INNER DIAMETER; 5.563 INCH OUTER DIAMETER; 80 SCHEDULE; UL 514B/651, ETL APPROVAL; NEMA TC-2/3, FEDERAL SPECIFICATION WC1094A APPLICABLE STANDARD; 5 INCH TRADE SIZE; 0.375 INCH WALL THICKNESS"						
04	PVC ELS805X60 5-IN-60RAD-90DEG-SCH-80-ELL	0		3	$260.00	E	$780.00
05	SQD D224N SWITCH FUSIBLE GD 240V	0		1	$515.75	E	$515.75
	SWITCH FUSIBLE GD 240V 200A 2P NEMA 1						
06	1 WEE LEAD TIME FROM THE MANUFACTURER						
07	FRZ TR200RID RK5 FUSE TIME-DELAY 250V 200A	2		2	$70.94	E	$141.88
	250V 200A TD RK5 FUSE SMARTSPO						
08	WIRE THHN1/0STRBLK-CUT THHN #1/0 STRANDED CU (134'/50#)	1526		100	$3,636.91	M	$363.69
	"THHN TYPE; 2500 FT; 474 MIL OUTER DIAMETER; COPPER CONDUCTOR MATERIAL; UL 83/758/1063/1581, UL (CANADA AND US) APPROVAL; 600 V VOLTAGE RATING; 125 AMPERE (60 DEG C), 150 AMPERE (75 DEG C), 170 AMPERE (90 DEG C) CURRENT RATING"						
09	WIRE THHN600STRBLK THHN-600-BLK-61STR-CU-500R	0		320	$27.60	E	$8,832.00
	"THHN TYPE; 500 FT; 1024 MIL OUTER DIAMETER; COPPER CONDUCTOR MATERIAL; UL 83/758/1063/1581, UL (CANADA AND US) APPROVAL; 600 V VOLTAGE RATING; 350 AMPERE (60 DEG C), 420 AMPERE (75 DEG C), 475 AMPERE (90 DEG C) CURRENT RATING"						
10	WIRE CUTTING CHARGE	0		1	$25.00	E	$25.00

Merchandise:	**$13,801.72**
Tax:	**$1,207.65**
Total:	**$15,009.37**

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* Per E = Each, C = Hundred, M = Thousand

Terms and Conditions

Customer Quote For: CITY OF ONTARIO

CED - ONTARIO **Quote:** Q1074320 **Revision #:** 008

9820 HAWTHORNE DR
RANCHO CUCAMONGA CA 91730
Tel: (909)983-2654

Contact Name: BRAD MULLEN

Job Name: LATIMER PHASE 2
Attn:
Ship To: CITY OF ONTARIO
WILL CALL AT
CED
ONTARIO, CA 91762-0000

Quote Date: 08/12/26
Updated On: 08/12/26
Expires On: 08/26/26

Customer PO #:
Customer PO Date:

FOB: SHIPPING POINT
Freight: PREPAID

LN	Product	Qty Avail	Lead Time	Qty	Price	Per *	Ext Price
01	**SQD LOT PRICE**	0		1	$29,511.00	E	$29,511.00
02	MSB						
03	**SQD QED 800A METER/MAIN SWBRD** 208Y/120V 3PH 4W NEMA1 42K	0		1	$0.00	E	$0.00
04	OVERALL DIMENSIONS 60"W X24"DX 91.5" H						
05	MDB						
06	**SQD QED 800A MLO DIST BOARD** 208Y/120V 3PH 4W NEMA1 42K	0		1	$0.00	E	$0.00
07	INCLUDES THE FOLLOWING CIRCUIT BREAKERS						
08	2-100AMP 2P BJ						
09	1-30AMP 2P BJ						
10	1-150AMP 2P QG						
11	1-60AMP 3P BJ						
12	1-50AMP 3P BJ 120V SHUNT TRIP						
13	1-60AMP 3P BJ 120V SHUNT TRIP						
14	1-60AMP 2P BJ						
15	1-150AMP 3P QG						
16							
17	OVERALL DIMENSIONS 42"W X 24"D X 91.5"H						
18							
19	90 WORKING DAYS PLUS TRANSIT TIME						
20							
21	**SQD EX45T3008HCT** 45KVA XFMR 208X240/120CT N1	0		1	$0.00	E	$0.00
22	20 WORKING DAYS PLUS TRANSIT TIME						

Merchandise:	**$29,511.00**
Tax:	**$2,582.21**
Total:	**$32,093.21**

PLEASE NOTE: THIS IS NOT AN OFFER TO CONTRACT, BUT MERELY A QUOTATION OF CURRENT PRICES FOR YOUR CONVENIENCE AND INFORMATION. ORDERS BASED ON THIS QUOTATION ARE SUBJECT TO YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS LOCATED AT SALES.OUR-TERMS.COM, WHICH WE MAY CHANGE FROM TIME TO TIME WITHOUT PRIOR NOTICE. WE MAKE NO REPRESENTATION WITH RESPECT TO COMPLIANCE WITH JOB SPECIFICATIONS.

* Per E = Each, C = Hundred, M = Thousand

Terms and Conditions

Attachment D

FEDERAL CONTRACT PROVISIONS

During the performance of this contract, Contractor (the "Vendor") shall comply with all applicable federal laws and regulations including but not limited to the federal contract provisions in this Exhibit. In this Exhibit, the term "Agency" shall mean the local agency entering into this contract with the Vendor.

1. CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISE AND LABOR SURPLUS AREA FIRMS (2 C.F.R. § 200.321)

(A) Vendor shall be subject to 2 C.F.R. § 200.321 and will take affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible and will not be discriminated against on the grounds of race, color, religious creed, sex, or national origin in consideration for an award.

(B) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and

(v) Using the services/assistance of the Small Business Administration (SBA), and the Minority Business Development Agency (MBDA) of the Department of Commerce.

Vendor shall submit evidence of compliance with the foregoing affirmative steps when requested by the Agency. This requirement is qualified by Executive Order 14173 and shall not apply to the extent required by Executive Order 14173.

2. COST PRINCIPLES (2 C.F.R. PART 200, SUBPART E)

(A) Costs under this contract must conform to the cost principles set forth under the Uniform Rules at 2 C.F.R. Part 200, subpart E ("Cost Principles"). In general, costs must (i) be necessary and reasonable; (ii) allocable to the grant award; (iii) conform to

any limitations or exclusions set forth in the Cost Principles; (iv) be adequately documented; and (v) be determined in accordance with generally accepted accounting principles ("GAAP"), except, for state and local governments and Indian tribes only, as otherwise provided for in 2 C.F.R. Part 200, subpart E. 2 C.F.R. § 200.403. Costs that are determined unallowable pursuant to a federal audit are subject to repayment by Vendor.

3. **ACCESS TO RECORDS & RECORD RETENTION (2 C.F.R. 200.336)**

(A) Vendor shall comply with 2 C.F.R. § 200.336 and provide the United States Department of Energy ("Federal Agency"), Inspectors General, the Comptroller General of the United States, Agency, and the State of California or any of their authorized representatives access, during normal business hours, to documents, papers, books and records which are directly pertinent to this contract for the purposes of making and responding to audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to the Vendor's personnel for the purpose of interview and discussion related to the books and records.

(B) The Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(C) The Vendor agrees to provide the Federal Agency Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

4. **REQUIRED CONTRACT PROVISIONS IN ACCORDANCE WITH APPENDIX II TO PART 200 – CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.326)**

(A) Appendix II to Part 200 (A); Appendix II to Part 200 (B): Remedies for Breach; Termination for Cause/Convenience. If the contract is in excess of $10,000 and the contract does not include provisions for both termination for cause and termination for convenience by the Agency, including the manner by which it will be effected and the basis for settlement, then the following termination clauses shall apply. If the contract is for more than the simplified acquisition threshold and does not provide for administrative, contractual, or legal remedies in instances where Contractor violates or breaches the terms of the contract, then the following termination clauses shall apply and have precedence over the contract.

(i) Termination for Convenience. The Agency may, by written notice to Vendor, terminate this contract for convenience, in whole or in part, at any time by giving written notice to Vendor of such termination, and specifying the effective date thereof ("Notice of Termination for Convenience"). If the termination is for the convenience of the Agency, the Agency shall compensate Vendor for work or materials fully and adequately provided through the effective date of termination. No amount shall be paid for unperformed work or materials not provided, including

anticipated profit. Vendor shall provide documentation deemed adequate by the Agency to show the work actually completed or materials provided by Vendor prior to the effective date of termination. This contract shall terminate on the effective date of the Notice of Termination.

(ii) Termination for Cause. If Vendor fails to perform pursuant to the terms of this contract, the Agency shall provide written notice to Vendor specifying the default ("Notice of Default"). If Vendor does not cure such default within ten (10) calendar days of receipt of Notice of Default, the Agency may terminate this contract for cause. If Vendor fails to cure a default as set forth above, the Agency may, by written notice to Vendor, terminate this contract for cause, in whole or in part, and specifying the effective date thereof ("Notice of Termination for Cause"). If the termination is for cause, Vendor shall be compensated for that portion of the work or materials provided which has been fully and adequately completed and accepted by the Agency as of the date the Agency provides the Notice of Termination. In such case, the Agency shall have the right to take whatever steps it deems necessary to complete the project and correct Vendor's deficiencies and charge the cost thereof to Vendor, who shall be liable for the full cost of the Agency's corrective action, including reasonable overhead, profit and attorneys' fees.

(iii) Reimbursement; Damages. The Agency shall be entitled to reimbursement for any compensation paid in excess of work rendered or materials provided and shall be entitled to withhold compensation for defective work or other damages caused by Vendor's performance of the work.

(iv) Additional Termination Provisions. Upon receipt of a Notice of Termination, either for cause or for convenience, Vendor shall promptly discontinue the work unless the Notice directs to the contrary. Vendor shall deliver to the Agency and transfer title (if necessary) to all provided materials and completed work, and work in progress including drafts, documents, plans, forms, maps, products, graphics, computer programs and reports. The rights and remedies of the parties provided in this Section are in addition to any other rights and remedies provided by law or under this contract. Vendor acknowledges the Agency's right to terminate this contract with or without cause as provided in this Section, and hereby waives any and all claims for damages that might arise from the Agency's termination of this contract. The Agency shall not be liable for any costs other than the charges or portions thereof which are specified herein. Vendor shall not be entitled to payment for unperformed work or materials not provided, and shall not be entitled to damages or compensation for termination of work or supply of materials. If Agency terminates this contract for cause, and it is later determined that the termination for cause was wrongful, the termination shall automatically be converted to and treated as a termination for convenience. In such event, Vendor shall be entitled to receive only the amounts payable under this Section, and Vendor specifically waives any claim for any other amounts or damages, including, but not limited to, any claim for consequential damages or lost profits. The rights and remedies of the Agency 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 contract including, but not limited to, the right to specific performance.

(B) Appendix II to Part 200 (C) – Equal Employment Opportunity: Except as otherwise provided under 41 C.F.R. Part 60, Vendor shall comply with the following equal opportunity clause, in accordance with Executive Order 11246 of September 24, 1965 entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967 and implementation regulations at 41 C.F.R. Chapter 60:

(i) Vendor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Vendor will take affirmative action to insure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment upgrading, demotion, transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. Vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Agency setting forth the provisions of this nondiscrimination clause.

(ii) Vendor will, in all solicitations or advertisements for employees placed by or on behalf of Vendor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, sex, or national origin.

(iii) Vendor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with Vendor's legal duty to furnish information.

(iv) Vendor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(v) Vendor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(vi) Vendor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(vii) In the event of Vendor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No.11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No.11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(viii) Vendor will include the provisions of paragraphs (i) through (viii) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24,1965, so that such provisions *will be* binding upon each subcontractor or vendor. Vendor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however,* that in the event Vendor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, Vendor may request the United States to enter into such litigation to protect the interests of the United States.

(C) Appendix II to Part 200 (D) – Davis-Bacon Act; Copeland Act: Not applicable to this contract.

(D) Appendix II to Part 200 (E) – Contract Work Hours and Safety Standards Act:

(i) If this contract is in excess of $100,000 and involves the employment of mechanics or laborers, Vendor shall comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Under 40 U.S.C. 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions

which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(ii) No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(iii) In the event of any violation of the clause set forth in paragraph (ii) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (ii) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (ii) of this section.

(iv) The Agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Vendor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (iii) of this section.

(v) The Vendor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (ii) through (v) of this Section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (ii) through (v) of this Section.

(E) <u>Appendix II to Part 200 (F) – Rights to Inventions Made Under a Contract or Agreement:</u>

(i) If the Federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties,

assignment or performance of experimental, developmental, or research work under that "funding agreement," the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by the Agency.

(ii) The regulation at 37 C.F.R. § 401.2(a) currently defines "funding agreement" as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

(iii) This requirement does not apply to the Public Assistance, Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as Federal Agency awards under these programs do not meet the definition of "funding agreement."

(F) Appendix II to Part 200 (G) – Clean Air Act and Federal Water Pollution Control Act: If this contract is in excess of $150,000, Vendor shall comply with all applicable standards, orders, or requirements issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387).

(i) Pursuant to the Clean Air Act, (1) Vendor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., (2) Vendor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Federal awarding agency and the appropriate Environmental Protection Agency Regional Office, and (3) Vendor agrees to include these requirements in each subcontract exceeding $150,000.

(ii) Pursuant to the Federal Water Pollution Control Act, (1) Vendor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq., (2) Vendor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Federal awarding agency and the appropriate Environmental Protection Agency Regional Office, and (3) Vendor agrees to include these requirements in each subcontract exceeding $150,000.

(G) Appendix II to Part 200 (H) – Debarment and Suspension: A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 C.F.R. part 1986 Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(i) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such Vendor is required to verify that none of the Vendor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(ii) Vendor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(iii) This certification is a material representation of fact relied upon by Agency. If it is later determined that Vendor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Agency, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

(iv) Vendor warrants that it is not debarred, suspended, or otherwise excluded from or ineligible for participation in any federal programs. Vendor also agrees to verify that all subcontractors performing work under this contract are not debarred, disqualified, or otherwise prohibited from participation in accordance with the requirements above. Vendor further agrees to notify the Agency in writing immediately if Vendor or its subcontractors are not in compliance during the term of this contract.

(H) Appendix II to Part 200 (I) – Byrd Anti-Lobbying Act: If this contract is in excess of $100,000, Vendor shall have submitted and filed the required certification pursuant to the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1353). If at any time during the contract term funding exceeds $100,000.00, Vendor shall file with the Agency the Federal Standard Form LLL titled "Disclosure Form to Report Lobbying." Vendors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

(I) Appendix II to Part 200 (J) – Procurement of Recovered Materials:

(i) Vendor shall comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement.

(ii) In the performance of this contract, the Vendor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired: Competitively within a timeframe providing for compliance with the contract performance schedule; Meeting contract performance requirements; or At a reasonable price.

(iii) Information about this requirement, along with the list of EPA-designate items, is available at EPA's Comprehensive Procurement Guidelines web site, https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program.

5. **MISCELLANEOUS FEDERAL PROVISIONS**

(A) The Vendor shall not use the Federal Agency seal(s), logos, crests, or reproductions of flags or likenesses of Federal Agency officials without specific Federal Agency preapproval.

(B) This is an acknowledgement that Federal Agency financial assistance will be used to fund the contract only. The Vendor will comply with all applicable federal law, regulations, executive orders, Federal Agency policies, procedures, and directives.

(C) Vendor acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the Vendor's actions pertaining to this contract.

(D) The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the Agency, Vendor, any subcontractors or any other party pertaining to any matter resulting from the contract.

(E) <u>General and Administrative Expenses And Profit For Time And Materials Contracts/Amendments</u>.

(i) General and administrative expenses shall be negotiated and must conform to the Cost Principles.

(ii) Profit shall be negotiated as a separate element of the cost. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the Vendor, the Vendor's investment, the amount of

subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(iii) Any agreement, amendment or change order for work performed on a time and materials basis shall include a ceiling price that Vendor exceeds at its own risk.

If through inadvertence or otherwise any provision required by the federal funding for this Agreement is physically omitted from this Exhibit, then such provision is deemed inserted into this Exhibit, and on the application of either party to this Agreement shall be physically inserted herein retroactive to the date of the original Agreement.

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Tricia Maruki Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Khoi Do, Rene Guerrero, Andrea Ampig Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 6

SUBJECT: **CONTRACTS AND AMENDMENTS RELATED TO THE FOURTH STREET STORM DRAIN, WATER MAIN, AND STREET 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 Mamco, Inc., of Perris, California, for the Fourth Street Storm Drain, Water Main, and Street Improvements Project in the amount of $12,292,292, plus a 10% contingency of $1,229,229 for a total not-to-exceed contract amount of $13,521,521; and
B. Authorize the City Manager, or his designee, to execute Amendment No. 13 to the Professional Services Agreement with Kleinfelder, Inc., of Ontario, California, to provide geotechnical and material testing services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project in the amount of $233,112 for a total not-to-exceed contract amount of $3,593,786; and
C. Authorize the City Manager, or his designee, to execute Amendment No. 19 to the Professional Services Agreement with Infrastructure Engineering Corporation, an Ardurra Group Corporation, of Newport Beach, California, for additional engineering services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project in the amount of $48,739 for a total not-to-exceed contract amount of $9,700,442, extend the contract term to December 31, 2028 to allow for the completion of ongoing projects; and
D. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project which may include, but not limited to, agreements, assessments, easements, reduction of retention accounts, contract amendments within the authorization limits, and filing a Notice of Completion at the conclusion of all construction-related activities.

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

FISCAL IMPACT: The recommended Construction Contract with Mamco, Inc., is in the amount of $12,292,292, plus a 10% contingency of $1,229,229, for a total not-to-exceed contract amount of $13,521,521. The proposed Amendment No. 13 with Kleinfelder, Inc. for geotechnical and material testing services is in the amount of $233,112 for a total not-to-exceed contract amount of $3,593,786. The proposed Amendment No. 19 with Infrastructure Engineering Corporation, an Ardurra Group Corporation, for additional engineering services is in the amount of $48,739 for a total not-to-exceed contract amount of $9,700,442.

The Fiscal Year 2026-27 Adopted Budget includes appropriations for the construction of the Fourth Street Storm Drain, Water Main, and Street Improvements Projects. If approved, appropriations for future years will be included as part of the annual budget adoption process in Measure Q Capital Project, Water Capital, and the Road Maintenance and Rehabilitation Account (SB1) funds will be included in future quarterly budget updates to the City Council, as needed.

BACKGROUND & ANALYSIS: The Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301) general scope of work to be performed under this contract consists of the installation of storm drain pipe, catch basins, manholes, CML&C watermains, service laterals, water valves, fire hydrant, removal of damaged pavement, placement of new asphalt pavement, curb ramps, curb & gutter, installation of video detection systems, and various other furnishings necessary to complete the improvements as described in the Plans and Specifications. A project location map is provided for reference as Exhibit A. In June 2026, the City solicited bids for Bid No. 1959 and eleven bids were received, as shown in the table below:

COMPANY	LOCATION	AMOUNT
Mamco, Inc.	Perris, California	$ 12,292,292
SEMA Construction, Inc.	Carlsbad, California	$ 12,325,168
Downing Construction, Inc.	Calimesa, California	$ 12,777,520
Nationwide Contracting Services, Inc.	Huntington Beach, California	$ 13,971,150
Norstar Plumbing & Engineering, Inc.	Alta Loma, California	$14,213,992
Kana Pipeline, Inc.	Riverside, California	$ 15,086,215
C.P. Construction Co., Inc.	Ontario, California	$ 16,052,725
Weka, Inc.	San Bernardino, California	$ 16,457,815
Leatherwood Construction	Yorba Linda, California	$ 16,474,285
Boudreau Pipeline Corporation	Corona, California	$ 17,393,856
Mike Bubalo Construction Co., Inc.	Baldwin Park, California	$ 17,560,750

Mamco, Inc., of Perris, California, is the apparent lowest bidder that met all the required specifications with a base cost of $12,292,292. Based on their credentials and favorable reference

checks, Staff recommends awarding a Construction Contract to Mamco, Inc. for the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301).

With the proposed Amendment No. 13, Kleinfelder, Inc. will provide geotechnical and material testing services necessary to support construction of the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301). The City originally entered into an On-Call Geotechnical and Material Testing Services Agreement with Kleinfelder, Inc. in March 2023 following an extensive, competitive request for proposals process. This Amendment will authorize Kleinfelder, Inc. to provide geotechnical and materials testing services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301).

In May 2019, the City awarded an On-Call Design Services Agreement to Infrastructure Engineering Corporation, an Ardurra Group Corporation. In September 2022, the City executed Amendment No. 10 for engineering design services for the Fourth Street Storm Drain Project. In December 2024, the City executed Amendment No. 18 to expand the scope of services to include engineering design services for water main improvements for the Fourth Street Storm Drain Project.

The proposed Amendment No. 19 will further expand the scope of services to include additional engineering and construction support services necessary to deliver the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301). This Amendment will also extend the term of the Agreement to December 31, 2028, to allow for completion of this project and other ongoing projects. This is the second amendment specifically associated with the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301).

ENVIRONMENTAL REVIEW: The project consists of the repair, maintenance, demolition of existing improvements within the existing public right-of-way and the alteration/installation of storm drain and watermain facilities/infrastructure and associated street improvements within the specified street segments noted above. The project involves negligible expansion or change to the former use as applicable through CEQA Section 15301.

CITY OF ONTARIO
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PAUL S. LEON
MAYOR

DEBRA PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

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 **Mamco, Inc., dba Alabbasi** 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:

FOURTH STREET STORM DRAIN, WATER MAIN, AND STREET IMPROVEMENTS PROJECT (SM2301)

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 **Three Hundred Sixty (360) working 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 **Twelve Million Two Hundred Ninety-Two Thousand Two Hundred Ninety-Two and 00/100 Dollars ($12,292,292.00)**, 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 **$9,500** 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), 2021 Edition, except Sections 1-9
- Technical Specifications
- Addenda (If Applicable)
- Plans and Drawings
- 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 the 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

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

END OF CONTRACT

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

DEBRA PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 13.0
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO AND
KLEINFELDER, INC.

1. Parties and Date.

This Amendment No. **13.0** to the Agreement (as defined herein) is made and entered into as of _____, by and between the City of Ontario ("City") and Kleinfelder, Inc., a California Corporation ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Consultant have entered into an agreement entitled "**On-Call Geotechnical and Material Testing Services**" dated March 7, 2023 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to include services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301) in the amount of **Two Hundred Thirty-Three Thousand One Hundred Twelve Dollars and 00/100 ($233,112.00)**; and increase the not-to-exceed compensation amount to **Three Million Five Hundred Ninety-Three Thousand Seven Hundred Eighty-Six Dollars and 00/100 ($3,593,786.00)**.

The Parties have heretofore entered into that Amendment No. 1 dated April 4, 2023, Amendment No. 2 dated May 2, 2023, Amendment No. 3 dated May 2, 2023, Amendment No. 4 dated March 5, 2024, Amendment No. 5 dated March 5, 2024, Amendment No. 6 dated June 18, 2024, Amendment No. 7 dated January 1, 2025, Amendment No. 8 dated March 4, 2025, Amendment No. 9 dated October 22, 2025, Amendment No. 10 dated November 4, 2025, Amendment No. 11 dated March 3, 2026, Amendment No. 11A dated July 7, 2026 and Amendment No. 12 dated September 1, 2026.

2.3 Amendment Authority. This Amendment No. 13.0 is authorized pursuant to Section 3 of the Agreement.

3. Additional Work (Term).

3.1 Amendment. Section 3.2.1, and Exhibit "A", of the Agreement are hereby amended in its entirety to read as follows:

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in **Exhibit "A"** attached hereto and incorporated herein by reference. The total compensation shall not exceed **Three Million Five Hundred Ninety-Three Thousand Seven Hundred Eighty-Six Dollars and 00/100 ($3,593,786.00)** without written approval of the City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

Exhibit "A" - SCOPE OF SERVICES is hereby amended to add Attachment A which is attached 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. 13.0, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 13.0. From and after the date of this Amendment No. 13.0, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 13.0.

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. 13.0.

3.4 Severability. If any portion of this Amendment No. 13.0 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. 13.0 TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND KLEINFELDER, INC.

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 13.0 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

KLEINFELDER, INC.

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

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

Attachment A

Exhibit “A” - SCOPE OF SERVICES –

Add scope of services proposal “**Kleinfelder Proposal to Provide Professional Geotechnical and Materials Testing Services for the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301)**

Attachment B

Exhibit “B” – Schedule of Services

The services shall be completed within the durations specified below, which beginning **ten (10)** calendar days after Notice to Proceed is issued:

Amend. No.	Task No.	Project Title	Not to Exceed Fee
-	0	2022 Spring Alley CDBG Pavement Rehab Project	$18,440.00
1.0	1.0	UT 1617-02 Well Abandonment 11, 15 & 17, & 26	$19,877.00
2.0	2.0	UT1053 – AMI Antenna Project – Phase 1	$28,237.00
3.0	3.0	Add $400,000 for a NTE of $466,554	$400,000.00
4.0	4.0	D&C22-012 City Hall Parking Structure	$491,981.00
5.0	5.0	UT1016 Archibald Sewer Diversion Project	$87,951.00
6.0	6.0	SM2302/SE2505 Sultana Avenue Storm Drain, Street and Sewer Improvements Project	$334,756.00
7.0	7.0	D&C21-005 Grand Park Geotechnical Observation, Materials Testing and Burrowing Owl Survey Services	$204,310.00
8.0	8.0	UT 1067, 1070, 1077 – Laurel Avenue Sewer Main Improvements, Nocta Street Sewer Main Improvements, and Nocta Street Private Sewer Lateral Improvements	$135,654.00
9.0	9.0	UT1016 Archibald Sewer Diversion Project (change order)	$47,679.00
10.0	10.0	D&C21-005 Grand Park Phase 1	$1,168,253.00
11.0	11.0	Add $300,000 for a NTE of $2,038,885 and Extend Contract for 2 Years until February 7, 2028	$300,000.00
11A	11A	Additional funds for the D&C21-005 Grand Park Phase 1 Project.	$71,780.00
12.0	12.0	UT 1067, 1070, 1077 – Laurel Avenue Sewer Main Improvements, Nocta Street Sewer Main Improvements, and Nocta Street Private Sewer Lateral Improvements (Change Order)	$81,756.00
13.0	13.0	Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301)	$233,112.00
		Grand Total	**$3,593,786.00**

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
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DAISY MACIAS
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
CITY TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 19 TO THE DESIGN SERVICES AGREEEMENT BETWEEN THE CITY OF ONTARIO AND INFRASTRUCTURE ENGINEERING CORPORATION, A CALIFORNIA CORPORATION

1. Parties and Date.

This Amendment No. **19.0** to the Agreement (as defined herein) is made and entered into as of _____, by and between the City of Ontario ("City") and **Infrastructure Engineering Corporation, a California 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 "**UT1032 On-Call Professional Engineering Services**" dated March 7, 2019 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to (i) include additional engineering services and construction support for the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301) in the amount of **Forty-Eight Thousand Seven Hundred Thirty-Nine and 00/100 Dollars ($48,739.00)**; (ii) increase the not-to-exceed compensation amount to **Nine Million Seven Hundred Thousand Four Hundred Forty Two and 00/100 Dollars ($9,700,442.00);** (iii) amend the minimum insurance policy limits required under the Agreement; and (iv) extend the term of this Agreement to December 31, 2028.

The Parties have heretofore entered that Amendment No. 1 dated December 3, 2019, Amendment No. 2 dated December 16, 2019, Amendment No. 3 dated February 19, 2020, Amendment No. 4 dated January 27, 2021, Amendment No. 5 dated January 27, 2021, Amendment No. 6 dated January 27, 2021, Amendment No. 7 dated January 27, 2021, Amendment No. 8 dated July 6, 2021, Amendment No. 9 dated May 7, 2022, Amendment No. 10 dated September 6, 2022, Amendment No. 11 dated September 20, 2022, Amendment No. 12 dated November 1, 2022, Amendment No. 13 dated December 9, 2022, Amendment No. 14 dated December 9, 2022, Amendment No. 15 dated February 7, 2023, Amendment No. 16 dated August 15, 2023, Amendment No. 17 dated January 16, 2024, and Amendment No. 18 dated October 15, 2024.

2.3 Amendment Authority. This Amendment No. **19.0** is authorized pursuant to Section 3 of the Agreement.

3. Terms.

3.1 Amendment. Section 3.1.1, 3.1.2, and 3.15.7 of the Agreement are 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 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. Additionally, Consultant shall comply with all Federal requirement applicable to the Services as set forth in Exhibit "A".

3.1.2 Term. The term of this Agreement is hereby amended to extend to **December 31, 2028** to allow for the completion of the Fourth Street Storm Drain, Water Main, and Street Improvements Project (SM2301) and other ongoing projects under this Agreement, 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.

3.15.7 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 occurrence and $2,000,000 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.

3.2 Added Scope. Exhibit "A" - SCOPE OF SERVICES is hereby amended to add Attachment A which is attached hereto and incorporated herein by reference. All other previously added or deleted scope of services are retained in their entirety.

3.3 Continuing Effect of Agreement. Except as amended by this Amendment No. 19.0, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 19.0. From and after the date of this Amendment No. 19.0, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 12.0.

3.4 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 19.0.

3.5 Severability. If any portion of this Amendment No. 19.0 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

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

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 19.0 TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND INFRASTRUCTURE ENGINEERING CORPORATION, A CALIFORNIA CORPORATION

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 19.0 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

INFRASTRUCTURE ENGINEERING CORPORATION, A CALIFORNIA CORPORATION

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

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

Attachment A

Exhibit “A” - SCOPE OF SERVICES –

ARDURRA

August 13, 2026

Tricia M. Espinoza, PE, QSD/QSP
Assistant City Engineer
City of Ontario
303 East B Street
Ontario, CA 91764

SUBJECT: FOURTH STREET STORM DRAIN PROJECT SUPPLEMENT BUDGET REQUEST – AMENDMENT FOR SUPPLEMENTAL SERVICES (WATER IMPROVEMENTS & STORM DRAIN)

Dear Tricia:

Ardurra Group Inc. (Ardurra) appreciates the opportunity to continue serving the City of Ontario on the Fourth Street Storm Drain Improvement Project. We very much appreciate the opportunity to submit this amendment for additional budget for the efforts described in this proposal.

SCOPE OF WORK

The scope of work for this amendment includes the following tasks:

SUPPLEMENTAL DESIGN EFFORT FOR CONTRACT DOCUMENTS

Task – Final Storm Drain & Water Improvements: Ardurra will prepare the following:

1. Continued Project Management and Coordination
2. Finalize the Storm Drain Plans, Specifications, and Estimate (PS&E) including incorporating the Storm Drain segment designed by the City. These improvements include updating the PS&E updates related to removing the future improvements that will be included in the drainage improvements designed by MBI. These improvements include Line D and the associated catch basins as well as the catch basins and laterals east and west of Baker Street.
3. Ardurra will review the proposed drainage improvement documents from MBI related to the I-10 improvements and provide comments. Once the comments are updated, Ardurra will back check the comments and perform a final review of the updated documents.
4. Ardurra will update the DDW waiver to include the updates to the storm drain improvements.
5. Supplemental Engineering support during construction, including responding to RFIs, Submittals, and preparing As-builts (redlined and provided by Contractor)

EXCLUSIONS/ASSUMPTIONS

The following was used as a basis for this amendment:

- It is assumed work will not be within Caltrans right of way, therefore an encroachment is not included,
- Traffic control plans are not included,
- Water Quality Management Plan is not included,
- Permits or plan checks associated with Cucamonga Valley Water District are not included,
- Environmental clearance (CEQA/NEPA), amendments or associated services are not included,
- Roadway Improvement Design is not included.
- Items not included in this amendment, or the original proposal are excluded from the scope of work.
- Contractor will provide Ardurra with redlines of built conditions for Ardurra to incorporate into bid plans.

PROPOSED FEE

The maximum authorized compensation for this amendment is $48,739 and will not be exceeded without prior written authorization.

(Please see Exhibit A for a detailed breakdown of hours and fee).

The existing agreement remains unchanged except as specifically modified in this Amendment.

We sincerely appreciate the opportunity to provide this proposal to the City of Ontario. Please contact me at jhernandez@ardurra.com should you have any questions or require additional information.

Respectfully,



Jose Hernandez, PE
Group Leader

cc: Dolores Salgado, PE, Ardurra Group, Inc.

Exhibit A

Fourth Street Storm Drain Project Amendment 19		Labor Hours											Total
		PIC	OMUC PIC	QMP	OMUC QMP	Project Manager	OMUC Project Engineer	Senior Designer/ Project Engineer	OMUC CAD Designer	Engineer I	OMUC Project Coordinator	Labor Hrs	
	Hourly Rates	$ 258	$ 280	$ 258	$ 250	$ 227	$ 165	$ 165	$ 165	$ 133	$ 135		
Task	Project Updates												
1	Project Management and Coordination	8		4								12	$ 3,096
2	Finalize PS&E Docs	8		4		16		20		20		68	$ 12,688
3	Review of MBI drainage docs	8				32		4				44	$ 9,988
4	Supplemental ESDC and As-builts	20	1	8	1	20	1	44		23		118	$ 22,778
												Project Updates	$ 48,550
	Total Hours:	44	1	16	1	68	1	68	0	43	0	242	
	Total Project Cost:	$11,352	$ 280	$ 4,128	$ 250	$ 15,436	$ 165	$ 11,220	$ -	$ 5,719	$ -		$ 48,550
												ODC (Mileage)	$ 189
												Total	**$ 48,739**

FOURTH STREET STORM DRAIN, WATER MAIN, AND STREET IMPROVEMENT PROJECT (SM2301)

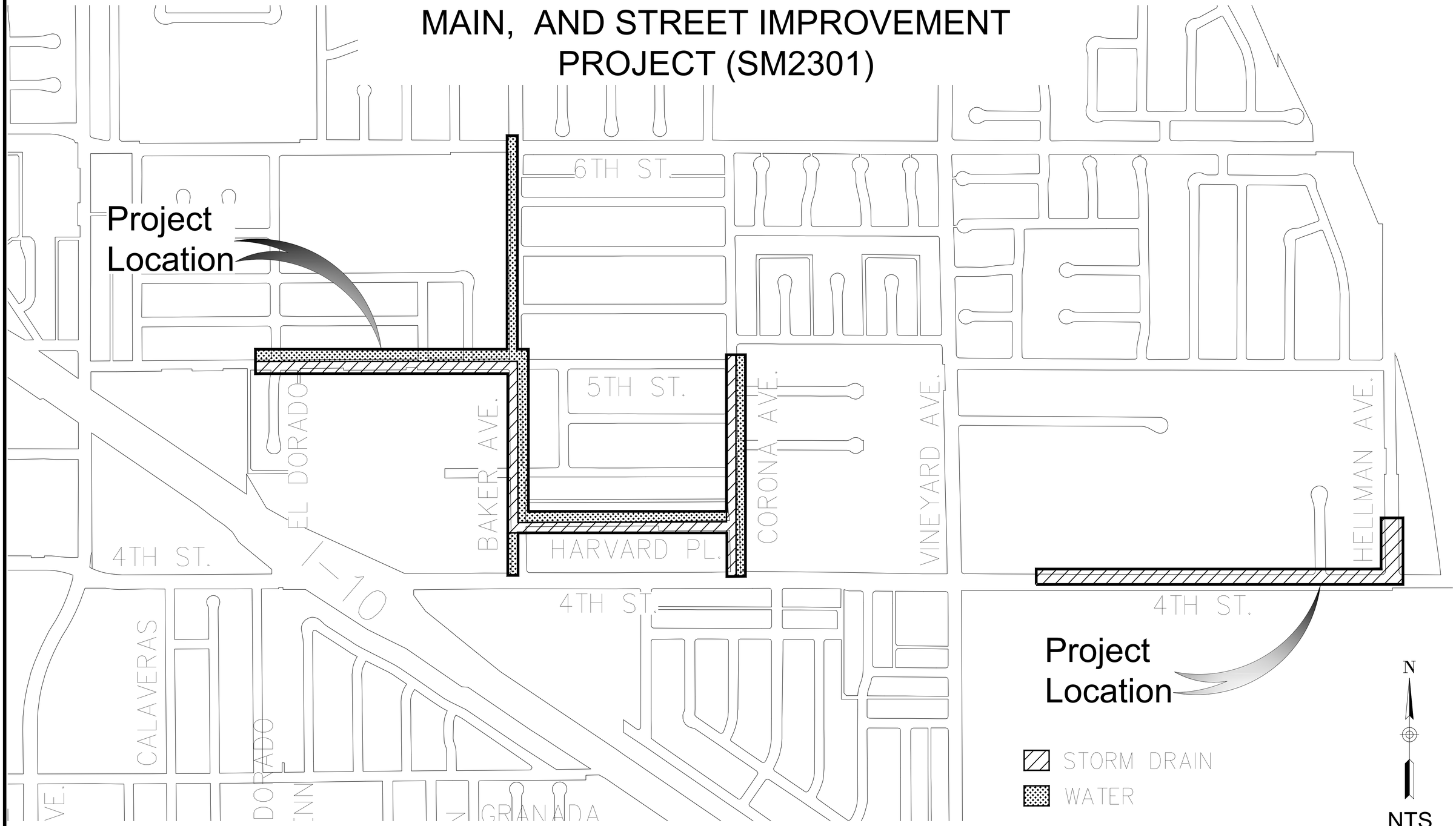


EXHIBIT A - LOCATION MAP

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Utilities Prepared By: Dennice Raygoza 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: 7

SUBJECT: **A RESOLUTION ACCEPTING DRINKING WATER STATE REVOLVING FUNDS FOR WELL NO. 53 EQUIPPING PROJECT IN THE AMOUNT OF $8,000,000 FROM THE STATE OF CALIFORNIA WATER RESOURCES CONTROL BOARD**

RECOMMENDATION: That the City Council:

A. Adopt a Resolution authorizing to accept funding totaling $8,000,000 from the Drinking Water State Revolving Funds (DWSRF) from the State of California Water Resources Control Board (SWRCB) for Well No. 53 Equipping Project; and
B. Authorize the City Manager, or designee, to execute any documentation necessary for the implementation and completion of the project, but not limited to, Funding Agreement, amendments, loan documents, certifications, reimbursement requests, and all other documents necessary to accept, administer, and receive reimbursement of the DWSRF financing awarded by the SWRCB.

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

FISCAL IMPACT: The SWRCB has approved and appropriated $8,000,000 in DWSRF financing for the Well No. 53 Equipping Project. DWSRF financing provides low-interest financing to assist public agencies in the construction of critical drinking water infrastructure. The final financing terms, including the interest rate, repayment period, and principal forgiveness (if applicable), will be established by the SWRCB upon execution of the Funding Agreement. The current interest rate is 2.1% and the typical repayment period is up to 30 years. During construction of the project, the City must pay interest annually until one year after construction completion. Beginning no later than one year after construction completion, the City must make annual payments of principal and interest. If approved, additional revenues and appropriations will be included in the Water Capital fund at a future quarterly budget update to City Council for approval as needed. There is no direct impact to the General Fund.

BACKGROUND & ANALYSIS: Staff has actively pursued alternative funding opportunities, including grants, low-interest loans, bond financing, and State appropriations to reduce the financial burden on ratepayers while continuing to invest in critical water infrastructure. In 2024, the City Council authorized Staff to submit a DWSRF application for Well No. 53 Equipping Project. SWRCB has approved $8,000,000 in financing for this project through its Fiscal Year 2025-2026 funding program.

Well No. 53 is a new well, which is located on the southwest side of Doubleday Avenue, approximately 950 feet west of Dupont Avenue, and will serve the 1212 Pressure Zone. This newly constructed well will replace production capacity lost from existing wells in the zone and provide additional capacity needed to maintain reliable water service.

This project was divided into two phases consisting of well drilling and well equipping. The drilling phase included installation of an approximately 1,000-foot-deep groundwater well and has been completed. The equipping phase includes equipping the well with a production pump and motor, an above-ground masonry equipment building, on-site sodium hypochlorite generation system, electrical and instrumentation controls, piping improvements, and associated site improvements necessary to place the well into service.

Upon completion, Well No. 53 will provide an additional groundwater supply source for the City's 1212 Pressure Zone. The well is designed to produce between 2,000 and 3,000 gallons per minute, providing a reliable potable water supply to meet existing and future customer demands within the pressure zone. In addition to restoring and increasing groundwater production capacity, the well will improve overall system reliability, operational flexibility, and resiliency by providing supplemental support to adjacent pressure zones during peak demand periods, maintenance activities, or emergency operations.

The $8,000,000 in DWSRF financing will fund the equipping phase of Well No. 53. Adoption of the attached resolution authorizes the City Manager, or designee, to execute the Funding Agreement, loan documents, certifications, reimbursement requests, and all other documents necessary to accept, administer, and receive reimbursement of the DWSRF financing awarded by the SWRCB.

DRINKING WATER

[RECIPIENT CAPS]

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD

CONSTRUCTION

INSTALLMENT SALE AGREEMENT

[PROJECT NO. and NAME]

AGREEMENT NO. [ ]

PROJECT FUNDING AMOUNT: $
ESTIMATED REASONABLE PROJECT COST: $

ELIGIBLE WORK START DATE: _____
ELIGIBLE CONSTRUCTION START DATE: _____

COMPLETION OF CONSTRUCTION DATE: _____
FINAL REIMBURSEMENT REQUEST DATE: _____
FINAL PAYMENT DATE: _____
RECORDS RETENTION END DATE: _____

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AGREEMENT

1. AUTHORITY.

(a) The State Water Resources Control Board (State Water Board) is authorized, and implements its authority, to provide financial assistance under this Agreement pursuant to

Section 116760 et seq. of the Health and Safety Code, and Resolution Nos. 2019-0065 and 2023-0021.

(b) The Recipient is authorized to enter into this Installment Sale Agreement (Agreement) pursuant to Resolution No. _____.

2. INTENTION.

(a) The Recipient desires to receive financial assistance for and undertake work required for the drinking water construction Project according to the terms and conditions set forth in this Agreement.

(b) The State Water Board proposes to assist in providing financial assistance for eligible costs of the Project in the amount set forth in Exhibit B, according to the terms and conditions set forth in this Agreement, with the expectation that the Recipient shall repay all of the financial assistance to the State Water Board.

(c) The Recipient intends to evidence its obligation to submit Payments to the State Water Board and secure its obligation with Net Revenues of its water enterprise, as set forth in Exhibit B, according to the terms and conditions set forth in this Agreement.

(d) The Recipient intends to certify and evidence its compliance with the Tax Covenants set forth in Exhibit F.

3. AGREEMENT, TERM, DOCUMENTS INCORPORATED BY REFERENCE.

In consideration of the mutual representations, covenants and agreements herein set forth, the State Water Board and the Recipient, each binding itself, its successors and assigns, do mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement.

(a) The Recipient hereby sells to the State Water Board and the State Water Board hereby purchases from the Recipient the Project. Simultaneously therewith, the Recipient hereby purchases from the State Water Board, and the State Water Board hereby sells to the Recipient, the Project in accordance with the provisions of this Agreement. All right, title, and interest in the Project shall immediately vest in the Recipient on the date of execution and delivery of this Agreement by both parties without further action on the part of the Recipient or the State Water Board.

(b) Subject to the satisfaction of any condition precedent to this Agreement, this Agreement shall become effective upon the signature of both the Recipient and the State Water Board. Conditions precedent are not limited to the following:

i. The Recipient must deliver to the Division a resolution authorizing this Agreement.
ii. The Recipient must deliver an opinion of bond counsel and general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

(c) Upon execution, the term of the Agreement shall begin on the Eligible Work Start Date and extend through the Final Payment Date.

(d) This Agreement includes the following exhibits and attachments thereto:

i. EXHIBIT A – SCOPE OF WORK
ii. EXHIBIT B – FUNDING TERMS
iii. EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS
iv. EXHIBIT D – SPECIAL CONDITIONS
v. EXHIBIT E – PAYMENT SCHEDULE
vi. EXHIBIT F – TAX CERTIFICATE

(e) This Agreement includes the following documents incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

i. the Final Plans & Specifications, dated _____, which are the basis for the construction contract to be awarded by the Recipient;
ii. the Drinking Water System Permit No. _____, and any amendments thereto;
iii. the Recipient's Reimbursement Resolution No. _____ dated _____;
iv. the Recipient's Tax Questionnaire dated _____.
v. the Davis-Bacon requirements found at: https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/2023/2023-dwsrf-governmental-entities-public.pdf

vi. [other incorporated documents, if any]

(f) This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

4. PARTY CONTACTS

State Water Board		[Recipient]	
Section:	Division of Financial Assistance		
Name:	xxxx, Project Manager	Name:	Title
Address:	1001 I Street, ___ Floor	Address:	
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	
Phone:	(916)	Phone:	
Fax:	(916)	Fax:	
Email:	[PMemail]@waterboards.ca.gov [programemail@waterboards.ca.gov]	Email:	

The Recipient may change its contact upon written notice to the Division, which notice shall be accompanied by authorization from the Recipient's Authorized Representative. The State Water Board will notify the Recipient of any changes to its contact.

While the foregoing are contacts for day-to-day communications regarding Project work, the Recipient shall provide official communications and events of Notice as set forth in Exhibit C to the Division's Deputy Director.

5. DEFINITIONS.

Unless otherwise specified, each capitalized term used in this Agreement has the following meaning:

"Additional Payments" means the reasonable extraordinary fees and expenses of the State Water Board, and of any assignee of the State Water Board's right, title, and interest in and to this Agreement, in connection with this Agreement, including all expenses and fees of accountants, trustees, staff, contractors, consultants, costs, insurance premiums and all other extraordinary costs reasonably incurred by the State Water Board or assignee of the State Water Board.

"Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.

"Agreement" means this agreement, including all exhibits and attachments hereto.

"Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.

"Bank" means the California Infrastructure and Economic Development Bank.

"Bond Funded Portion of the Project Funds" means any portion of the Project Funds which was or will be funded with Bond Proceeds.

"Bond Proceeds" means original proceeds, investment proceeds, and replacement proceeds of Bonds.

"Bonds" means any series of bonds issued by the Bank, the interest on which is excluded from gross income for federal tax purposes, all or a portion of the proceeds of which have been, are, or will be applied by the State Water Board to fund all or any portion of the Project Costs or that are secured in whole or in part by Payments paid hereunder.

"Charge In Lieu of Interest" means any fee or charge in lieu of some or all of, but not to exceed, the interest that would otherwise be owed under this Agreement, as set forth in Exhibit E.

"Code" as used in Exhibit F of this Agreement means the Internal Revenue Code of 1986, as amended, and any successor provisions and the regulations of the U.S. Department of the Treasury promulgated thereunder.

"Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete, and is identified in Exhibit A of this Agreement.

"Cover Page" means the front page of this Agreement.

"Days" means calendar days unless otherwise expressly indicated.

"Debt Service" means, as of any date, with respect to outstanding System Obligations and, in the case of the additional debt tests in Exhibit B of this Agreement, any System Obligations that are proposed to be outstanding, the aggregate amount of principal and interest scheduled to become due (either at maturity

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or by mandatory redemption), together with any Charge In Lieu of Interest on this Obligation or other System Obligations to the State Water Board, calculated with the following assumptions:

a. Principal payments (unless a different subdivision of this definition applies for purposes of determining principal maturities or amortization) are made in accordance with any amortization schedule published for such principal, including any minimum sinking fund payments;

b. Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a tax-exempt obligation under federal law, is the average of the SIFMA Municipal Swap Index, or its successor index, during the 24 months preceding the date of such calculation;

c. Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a taxable obligation under federal law, is the average of SOFR, or its successor index, during the 24 months preceding the date of such calculation;

d. Interest on a variable rate System Obligation that is subject to a swap agreement is the fixed swap rate or cap strike rate, as appropriate, if the variable rate has been swapped to a fixed rate or capped pursuant to an interest rate cap agreement or similar agreement;

e. Interest on a fixed rate System Obligation that is subject to a swap agreement such that all or a portion of the interest has been swapped to a variable rate shall be treated as variable rate debt under subdivisions (b) or (c) of this definition of Debt Service;

f. Payments of principal and interest on a System Obligation are excluded from the calculation of Debt Service to the extent such payments are to be paid from amounts then currently on deposit with a trustee or other fiduciary and restricted for the defeasance of such System Obligations;

g. If 25% or more of the principal of a System Obligation is not due until its final stated maturity, then principal and interest on that System Obligation may be projected to amortize over the lesser of 30 years or the Useful Life of the financed asset, and interest may be calculated according to subdivisions (b)-(e) of this definition of Debt Service, as appropriate.

“Deputy Director” means the Deputy Director of the Division.

“District Office” means District Office of the Division of Drinking Water of the State Water Board.

"Division" means the Division of Financial Assistance of the State Water Board or any other segment of the State Water Board authorized to administer this Agreement.

“Division of Drinking Water” means the Division of Drinking Water of the State Water Board.

“Eligible Construction Start Date” means the date set forth on the Cover Page of this Agreement, establishing the date on or after which construction costs may be incurred and eligible for reimbursement hereunder.

“Eligible Work Start Date” means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any non-construction costs may be incurred and eligible for reimbursement hereunder.

“Enterprise Fund” means the enterprise fund of the Recipient in which Revenues are deposited.

“Event of Default” means the occurrence of any of the following events:

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a) Failure by the Recipient to make any payment required to be paid pursuant to this Agreement, including Payments;
b) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
c) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
d) Failure by the Recipient to comply with the additional debt test or reserve fund requirement, if any, in Exhibit B or Exhibit D of this Agreement;
e) Failure to operate the System or the Project without the Division's approval;
f) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
g) The occurrence of a material breach or event of default under any System Obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption;
h) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
i) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
j) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the operation of the System or the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.

"Final Payment Date" is the date by which all principal and accrued interest due under this Agreement is to be paid in full to the State Water Board and is specified on the Cover Page of this Agreement.

"Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further Project Funds disbursements may be requested.

"Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year, or any other annual period selected and designated by the Recipient as its Fiscal Year in accordance with applicable law.

"Force Account" means the use of the Recipient's own employees, equipment, or resources for the Project.

"GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

"Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project.

"Listed Event" means, so long as the Recipient has outstanding any System Obligation subject to Rule 15c2-12, any of the events required to be reported with respect to such System Obligation pursuant to Rule 15c2-12(b)(5).

“Material Obligation” means an obligation of the Recipient that is material to this transaction, including System Obligations.

“Maximum Annual Debt Service” means the maximum amount of Debt Service due on System Obligations in a Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and within the next five years in which Debt Service for any System Obligations will become due.

"Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.

"Obligation" means the obligation of the Recipient to make Payments (including Additional Payments) as provided herein, as evidenced by the execution of this Agreement, proceeds of such obligations being used to fund the Project as specified in the Project Description in Exhibit A and Exhibit B and in the documents thereby incorporated by reference.

"Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.

“Parity Obligation” means a debt obligation of the Recipient on parity with this Obligation. There are no Parity Obligations.

“Payment” means any payment due to the State Water Board from the Recipient pursuant to this Agreement.

"Policy" means the State Water Board's “Policy for Implementing the Drinking Water State Revolving Fund,” as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.

“Project” means the Project financed by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.

"Project Completion" means the date, as determined by the Division after consultation with the Recipient, that operation of the Project is initiated or is capable of being initiated, whichever comes first.

"Project Costs" means the incurred costs of the Recipient which are eligible for financial assistance under this Agreement, which are allowable costs as defined under the Policy, and which are reasonable, necessary and allocable by the Recipient to the Project under GAAP, and may include capitalized interest.

“Project Funds” means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.

“Recipient” means [insert Recipient name].

“Records Retention End Date” means the last date that the Recipient is obligated to maintain records and is set forth on the Cover Page of this Agreement.

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“Regional Water Quality Control Board” or “Regional Water Board” means the appropriate Regional Water Quality Control Board.

“Reimbursement Resolution” means the Recipient’s reimbursement resolution identified and incorporated by reference in this Agreement.

“Reserve Fund” means the reserve fund required pursuant to Exhibit B of this Agreement.

"Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including

(i) all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and

(ii) all other income and revenue howsoever derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from

a. the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient’s behalf,

b. any refundable deposits made to establish credit, and

c. advances or contributions in aid of construction.

For the avoidance of doubt, refundable deposits and advances or contributions are not included in the definition of Revenues.

“Rule 15c2-12(b)(5)” means Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

“Senior Obligation” means a debt obligation of the Recipient that is senior to this Obligation. There are no Senior Obligations.

“SRF” means the Drinking Water State Revolving Fund.

“State” means State of California.

“State Water Board” means the State Water Resources Control Board.

“Subordinate Obligation” means a debt obligation of the Recipient that is subordinate to this Obligation. There are no Subordinate Obligations.

“System” means all drinking water collection, transport, treatment, storage, and delivery facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

“System Obligation” means any obligation of the Recipient payable from the Revenues, including but not limited to this Obligation, any Parity Obligation, any Subordinate Obligation, and such additional obligations as may hereafter be issued in accordance with the provisions of such obligations and this Agreement.

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"Useful Life" means the economically useful life of the Project beginning at Completion of Construction and is set forth in Exhibit A.

"Year" means calendar year unless otherwise expressly indicated.

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IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

[RECIPIENTCAPS]:

By:_____
Name: [Officer]
Title: [Title1]

Date:_____

STATE WATER RESOURCES CONTROL BOARD:

By:_____
Name: [Officer]
Title: Deputy Director
Division of Financial Assistance

Date:_____

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EXHIBIT A – SCOPE OF WORK

A.1. PROJECT DESCRIPTION, USEFUL LIFE, AND SCOPE OF WORK.

(a) The Project is the project set forth on the Cover Page of this Agreement.

(b) The Useful Life of this Project is at least _____ years.

(c) Scope of Work.

["to be inserted by DFA"]

A.2. STANDARD PROJECT REQUIREMENTS.

A.2.1 Acknowledgements.

The Recipient shall include the following acknowledgement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

"Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board.

California's Drinking Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds.

The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."

A.2.2 Reports

A.2.2.1 Progress Reports.

(a) The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement.

(b) The Recipient must provide a progress report with each reimbursement request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds, as set forth in Exhibit B.

(c) A progress report must contain the following information:

i. A summary of progress to date including a description of progress since the last report, percent construction complete, percent contractor invoiced, and percent schedule elapsed;

ii. A description of compliance with environmental requirements;

iii. A listing of change orders including amount, description of work, and change in contract amount and schedule; and

iv. Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.2.2.2 Project Completion Report.

(a) The Recipient must submit a Project Completion Report to the Division with a copy to the appropriate District Office on or before the due date established by the Division and the Recipient at the time of final project inspection. The Project Completion Report must include the following:

i. Description of the Project,

ii. Description of the water quality problem the Project sought to address,

iii. Discussion of the Project's likelihood of successfully addressing that water quality problem in the future, and

iv. Summary of compliance with applicable environmental conditions.

(b) If the Recipient fails to submit a timely Project Completion Report, the State Water Board may stop processing pending or future applications for new financial assistance, withhold disbursements under this Agreement or other agreements, and begin administrative proceedings.

A.2.2.3 As Needed Reports.

The Recipient must provide expeditiously, during the term of this Agreement, any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the state or federal government.

A.2.2.4 DBE Good Faith Efforts and Reports for SRF Projects.

The Recipient shall comply with the Disadvantaged Business Enterprises (DBE) requirements in 40 CFR § 33.301 for the Project and require its contractors and subcontractors on the Project to comply. 40 CFR § 33.301 requires the use of good faith efforts to utilize DBE's whenever procuring construction, equipment, services, and supplies. The Recipient must report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued.

A.2.3 Signage.

The Recipient shall comply with both sections A.2.3.1 and A.2.3.2 unless the Division approves an alternative method of satisfying the applicable signage requirements.

A.2.3.1 General Signage Requirements.

The Recipient shall implement one of the public awareness options provided in the United States Environmental Protection Agency's (USEPA) memorandum dated June 3, 2015, available at Enhancing Public Awareness of SRF Assistance Agreements | US EPA. If the Recipient chooses to post a physical sign, the Recipient shall comply with the requirements in sections A.2.3.1(a) through (d). If the Recipient chooses an alternative method of satisfying the requirements of the June 3, 2015 memorandum, such as online and social media publicity, then section A.2.3.1(a) shall not apply, but Recipient shall include the logos and statement specified in sections A.2.3.1(b) and (c) when implementing the alternative method.

The Recipient shall inform the Project Manager of the chosen public awareness method and provide documentation if requested. Regardless of the method chosen for this section A.2.3.1, the Recipient shall also comply with the requirements of section A.2.3.2.

(a) If the Recipient chooses to post a physical sign to comply with the requirements of this section, the Recipient shall place a sign at least four feet tall by eight feet wide made of ¾ inch thick exterior grade plywood or other approved material in a prominent location on the Project site and shall maintain the sign in good condition for the duration of the construction period.

(b) The sign shall include the following logos:







(c) The sign shall include the following statement:

"Funding for this $xx million [name of project] project has been provided in full or in part by the Drinking Water State Revolving Fund through an agreement with the State Water Resources Control Board. California's Drinking Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds."

(d) The Project sign may include another agency's required promotional information so long as the above requirements are satisfied. The sign shall be prepared in a professional manner.

A.2.3.2 Bipartisan Infrastructure Law Signage.

The Recipient shall comply with the requirements below or with any modified requirements approved by the Division and by the USEPA.

(a) Investing in America Emblem: The Recipient shall ensure that a professionally prepared sign is placed at construction sites supported in whole or in part by this Agreement displaying the official Investing in America emblem and must identify the project as a "project funded by President Biden's Bipartisan Infrastructure Law." The sign must be placed at construction sites in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period. The Recipient shall ensure compliance with the guidelines and design specifications provided by the USEPA for using the official Investing in America emblem available at: https://www.epa.gov/invest/investing-america-signage.

(b) Logos. The Recipient shall include the USEPA, State Water Board, and DWSRF logos provided in section A.2.3.1(b) in addition to the official Investing in America emblem on the Bipartisan Infrastructure Law signage using the customizable sign template at the link provided in section A.2.3.2(a).

(c) Procuring Signs: Consistent with section 6002 of the Resource Conservation and Recovery Act, 42 U.S.C. 6962, and 2 CFR 200.323, Recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an eligible cost under this Agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, Recipients are encouraged to translate the language on signs (excluding the official Investing in America emblem or USEPA logo or

seal) into the appropriate non-English language(s). The costs of such translation are eligible, provided the costs are reasonable.

A.2.4 Commencement of Operations.

Upon Completion of Construction of the Project, the Recipient must expeditiously initiate Project operations.

A.3 DATES & DELIVERABLES.

(a) Time is of the essence.

(b) The Recipient must expeditiously proceed with and complete construction of the Project.

(c) The following dates are established as on the Cover Page of this Agreement:

i. Eligible Work Start Date
ii. Eligible Construction Start Date
iii. Completion of Construction Date
iv. Final Reimbursement Request Date
v. Records Retention End Date
vi. Final Payment Date

(d) The Recipient must award the prime construction contract timely.

(e) The Recipient agrees to start construction no later than [DFA will insert date that is within 6 months after execution of this Agreement].

(f) The Recipient must deliver any request for extension of the Completion of Construction date no less than 90 days prior to the Completion of Construction date.

(g) The undisbursed balance of this Agreement will be deobligated if the Recipient does not provide its final reimbursement request to the Division on or before the Final Reimbursement Request Date.

A.4 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the “Estimated Due Date” column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to Project Completion. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final reimbursement request prior to the Final Reimbursement Request Date set forth on the Cover Page.

[DFA will insert Schedule of Deliverables]

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EXHIBIT B – FUNDING TERMS

B.1. FUNDING AMOUNTS AND REIMBURSEMENTS

B.1.1 Funding Contingency and Other Sources.

(a) If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount.

(b) If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's share of Project Costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board to be applied to Payments due hereunder, if any.

B.1.2 Estimated Reasonable Cost.

The estimated reasonable cost of the total Project, including associated planning and design costs, is Written Dollar Amount dollars and no cents ($Dollar Amount).

B.1.3 Project Funding Amount.

Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B. 1.4 Budget Costs.

(a) Estimated budget costs are contained in the Summary Project Cost Table below:

[DFA will insert table]

The Division's Final Budget Approval and related Form 259 and Form 260 will document a more detailed budget of eligible Project Costs and Project funding amounts. Construction of the Project may be completed in phases with written approval of the Division. If construction proceeds under separate phases, the Recipient must submit a Final Budget Approval package and receive Final Budget Approval from the Division for each phase.

Upon written request by the Recipient, the Division may adjust the line items of the budget at the time of Division's Final Budget Approval(s). Upon written request by the Recipient, the Division may also adjust the line items of the budget at the time of Recipient's submittal of its final claim. Any line item adjustments to the budget that are due to a change in scope of work will require an Agreement amendment. The sum of adjusted line items in the budget approved through the Final Budget Approval process must not exceed the Project Funding Amount. The Division may also propose budget adjustments.

(b) Under no circumstances may the sum of line items in the budget approved through the Final Budget Approval process exceed the Project Funding Amount. Any increase in the Project Funding Amount will require an Agreement amendment.

B.1.5 Contingent Disbursement.

(a) The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement.

(b) The State Water Board's obligation to disburse Project Funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of Project Funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

(c) Construction costs and disbursements are not available until after the Division has approved the final budget form submitted by the Recipient for the corresponding costs.

(d) No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

(e) Construction costs incurred prior to the Eligible Construction Start Date are not eligible for reimbursement.

(f) Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

(g) The Recipient agrees to ensure that its final reimbursement request is received by the Division no later than the Final Reimbursement Request Date. If the final reimbursement request is not received timely, the undisbursed balance of this Agreement will be deobligated.

(h) The Recipient is not entitled to interest earned on undisbursed funds.

B.1.6 Reimbursement Procedure.

Except as may be otherwise provided in this Agreement, disbursement of Project Funds will be made as follows:

(a) Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including any planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the state and federal cross-cutting requirements listed in Exhibit C.

(b) The Recipient must submit a reimbursement request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late reimbursement requests may not be honored.

(c) The Recipient may request reimbursement of eligible construction and equipment costs consistent with budget amounts approved by the Division in the Final Budget Approval.

(d) Additional Project Funds will be promptly disbursed to the Recipient upon receipt of reimbursement request Form 260 and Form 261, or any amendment thereto, duly completed and

executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under Exhibit A.

(e) The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of reimbursement request. Supporting documentation (e.g., receipts) must be submitted with each reimbursement request. The amount requested for administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Disbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed reimbursement request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.

(f) The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future disbursements.

(g) The Recipient shall not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.

(h) Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

(i) No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. Failure to comply with this restriction may result in termination this Agreement, pursuant to Exhibit C. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources at http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. as of the date costs are incurred by the Recipient.

B.1.7 Withholding of Disbursements.

Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

(a) The Recipient's failure to maintain reasonable progress on the Project as determined by the Division;
(b) Placement on the ballot or passage of an initiative or referendum to repeal or reduce the Recipient's taxes, assessments, fees, or charges levied for operation of the System or payment of debt service on System Obligations;
(c) Commencement of litigation or a judicial or administrative proceeding related to the Project, System, or Revenues that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;
(d) Any investigation by the State Water Board, District Attorney, California State Auditor, Bureau of State Audits, the USEPA Office of Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;
(e) A material adverse change in the condition of the Recipient, the Revenues, or the System, that the Division reasonably determines would materially impair the Recipient's ability to

satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;

(f) The Recipient's material violation of, or threat to materially violate, any term of this Agreement;

(g) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents regarding the Project or the System;

(h) An event requiring Notice as set forth in Exhibit C;

(i) An Event of Default or an event that the Division determines may become an Event of Default.

B.1.8 Fraud and Misuse of Public Funds; Enforcement.

All requests for reimbursement submitted must be accurate and signed by the Recipient's Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any eligible costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the repayment of all Project Funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit; refer the matter for appropriate administrative action, including but not limited to the recovery of financial assistance provided and the imposition of civil penalties; and/or refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

B.2 RECIPIENT'S PAYMENT OBLIGATION, PLEDGE, AND RESERVE

B.2.1 Project Costs.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs and Additional Payments. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

B.2.2 Estimated Principal Payment Due.

The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Written Dollar Amount dollars and no cents ($Dollar Amount).

B.2.3 Interest Rate and In-Lieu of Interest Charges.

(a) The Recipient agrees to make all Payments according to the schedule in Exhibit E, and as otherwise set forth herein, at an interest rate of Written Interest Rate % (X%) per annum.

(b) Interest will accrue beginning with each disbursement.

(c) In lieu of, and not to exceed, interest otherwise due under this Agreement, the Recipient agrees to pay the following charge(s), as further set forth in Exhibit E:

- an Administrative Service Charge
- a Drinking Water Small Community Emergency Grant Fund Charge

B.2.4 Reserved.

B.2.5 Obligation Absolute.

The obligation of the Recipient to make the Payments and other payments required to be made by it under this Agreement, from the Net Revenues and/or other amounts legally available to the Recipient therefor, is absolute and unconditional, and until such time as the Payments and Additional Payments have been paid in full, the Recipient must not discontinue or suspend any Payments or other payments required to be made by it hereunder when due, whether or not the Project, or any related part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such Payments and other payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

B.2.6 Payment Timing.

(a) The Recipient must pay interest annually, by [DFA to fill in date] of each year, until one year after Completion of Construction. Beginning no later than one year after Completion of Construction, the Recipient must make annual Payment of the principal of the Project Funds, together with all interest accruing thereon by [DFA to fill in date]. The Recipient must make Payments fully amortizing the total principal of the Project by the Final Payment Date. Payments are based on a standard fully amortized assistance amount with equal annual payments.

(b) The remaining balance is the previous balance, plus the disbursements, plus the accrued interest on both, plus any Charge In Lieu of Interest, less the Payment. Payment calculations will be made beginning one (1) year after Completion of Construction. Exhibit E is a payment schedule based on the provisions of this Exhibit and an estimated disbursement schedule. Actual payments will be based on actual disbursements.

(c) Upon Completion of Construction and submission of necessary reports by the Recipient, the Division will prepare an appropriate payment schedule and supply the same to the Recipient. The Division may amend this schedule as necessary to accurately reflect amounts due under this Agreement. The Division will prepare any necessary amendments to the payment schedule and send them to the Recipient. The Recipient must make each Payment on or before the due date therefor. A ten (10) day grace period will be allowed, after which time a penalty in the amount of costs incurred by the State Water Board will be assessed for late payment. These costs may include, but are not limited to, lost interest earnings, staff time, bond debt service default penalties, if any, and other related costs. For purposes of penalty assessment, payment will be deemed to have been made if payment is deposited in the U.S. Mail within the grace period with postage prepaid and properly addressed. Any penalties assessed will not be added to the assistance amount balance, but will be treated as a separate account and obligation of the Recipient. The interest penalty will be assessed from the payment due date.

(d) The Recipient is obligated to make all payments required by this Agreement to the State Water Board, notwithstanding any individual default by its constituents or others in the payment to the Recipient of fees, charges, taxes, assessments, tolls or other charges ("Charges") levied or imposed by the Recipient. The Recipient must provide for the punctual payment to the State Water Board of all amounts which become due under this Agreement and which are received from constituents or others in the payment to the Recipient. In the event of failure, neglect or refusal of any officer of the Recipient to levy or cause to be

levied any Charge to provide payment by the Recipient under this Agreement, to enforce or to collect such Charge, or to pay over to the State Water Board any money collected on account of such Charge necessary to satisfy any amount due under this Agreement, the State Water Board may take such action in a court of competent jurisdiction as it deems necessary to compel the performance of all duties relating to the imposition or levying and collection of any of such Charges and the payment of the money collected therefrom to the State Water Board. Action taken pursuant hereto shall not deprive the State Water Board of, or limit the application of, any other remedy provided by law or by this Agreement.

(e) Each Payment must be paid in lawful money of the United States of America by check or other acceptable form of payment set forth at www.waterboards.ca.gov/make_a_payment.
The Recipient must pay Payments and Additional Payments from Net Revenues and/or other amounts legally available to the Recipient therefor.

B.2.7 Pledged Revenues.

B.2.7.1 Establishment of Enterprise Fund and Reserve Fund.

In order to carry out its System Obligations, the Recipient covenants that it shall establish and maintain or shall have established and maintained the Enterprise Fund. All Revenues received shall be deposited when and as received in trust in the Enterprise Fund. As required in this Exhibit, the Recipient must establish and maintain a Reserve Fund.

B.2.7.2 Pledge of Net Revenues, Enterprise Fund, and Reserve Fund.

The Obligation hereunder shall be secured by a lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund on parity with the Parity Obligations. The Recipient hereby pledges and grants such lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund to secure the Obligation, including payment of Payments and Additional Payments hereunder. The Enterprise Fund, Net Revenues in the Enterprise Fund, and any Reserve Fund shall be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Recipient.

B.2.7.3 Application and Purpose of the Enterprise Fund.

Subject to the provisions of any outstanding System Obligation, money on deposit in the Enterprise Fund shall be applied and used first, to pay Operations and Maintenance Costs, and thereafter, all amounts due and payable with respect to the System Obligations in order of priority. After making all payments hereinabove required to be made in each Fiscal Year, the Recipient may expend in such Fiscal Year any remaining money in the Enterprise Fund for any lawful purpose of the Recipient.

B.2.8 No Prepayment.

Pursuant to State Water Board's Debt Management Policy, adopted on October 3, 2017, the Recipient may not prepay any portion of the principal and interest due under this Agreement without the written consent of the Deputy Director of the Division.

B.2.9 Reserve Fund.

Prior to Completion of Construction, the Recipient must establish a restricted Reserve Fund, held in its Enterprise Fund, equal to one year's Debt Service on this Obligation. The Recipient must maintain the Reserve Fund throughout the term of this Agreement. The Reserve Fund is subject to lien and pledged as security for this Obligation, and its use is restricted to payment of this Obligation during the term of this Agreement.

B.3 RATES, FEES AND CHARGES.

(a) The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are equal to the sum of:

i. at least [120% or the coverage ratio required by the Recipient's existing System Obligations, whichever is greater] of the Maximum Annual Debt Service with respect to all outstanding System Obligations senior to and on parity with the Obligation; and
ii. at least [100% or the coverage ratio required by the Recipient's existing System Obligations, whichever is greater] of the Maximum Annual Debt Service with respect to all outstanding System Obligations subordinate to the Obligation, so long as System Obligations other than this Obligation are outstanding.

Upon defeasance of all System Obligations other than this Obligation, this ratio must be at least 120%, except where System Obligations are defeased pursuant to refunding obligations.

(b) The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

(c) Upon consideration of a voter initiative to reduce Revenues, the Recipient must make a finding regarding the effect of such a reduction on the Recipient's ability to satisfy the rate covenant set forth in this Section. The Recipient must make its findings available to the public. The Recipient's Authorized Representative must request, if necessary, the authorization of the Recipient's decision-maker or decision-making body to file litigation to challenge any such initiative that it finds will render it unable to satisfy the rate covenant set forth in this Agreement and its obligation to operate and maintain the Project for its Useful Life. The Recipient must diligently pursue and bear any and all costs related to such challenge. The Recipient must notify and regularly update the State Water Board regarding the status of any such challenge.

B.4 ADDITIONAL DEBT.

(a) The Recipient's future debt that is secured by Revenues pledged herein may not be senior to this Obligation, except where the new senior obligation refunds or refinances a senior obligation with the same lien position as the existing senior obligation, the new senior obligation has the same or earlier repayment term as the refunded senior debt, the new senior debt service is the same or lower than the existing debt service, and the new senior debt will not diminish the Recipient's ability to satisfy its SRF obligation(s).

(b) The Recipient may issue additional parity or subordinate debt only if all of the following conditions are met:

i. No Event of Default (or no event with respect to which notice has been given and which, once all notice of grace periods have passed, would constitute an Event of Default) has occurred and is continuing;
ii. Net Revenues in the most recent Fiscal Year, excluding transfers from a rate stabilization fund, if any, meet the ratio for rate covenants set forth in this Exhibit with respect to any outstanding and proposed additional obligations; and
iii. The Recipient is in compliance with any reserve fund requirement of this Obligation.

B.5 NO LIENS.

The Recipient must not make any pledge of or place any lien on the Project, System, or Revenues except as otherwise provided or permitted by this Agreement.

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EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS

C.1 REPRESENTATIONS & WARRANTIES.

The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement.

C.1.1 Application and General Recipient Commitments.

The Recipient has not made any untrue statement of a material fact in its application for this financial assistance, or omitted to state in its application a material fact that makes the statements in its application not misleading.

The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

C.1.2 Authorization and Validity.

The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

C.1.3 No Violations.

The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

C.1.4 No Litigation.

There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which materially affect the financial condition or operations of the Recipient, the System, the Revenues, and/or the Project.

There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain the System or any of the real or personal property related to or necessary for the Project.

C.1.5 Property Rights and Water Rights.

The Recipient owns or has sufficient property rights in the Project property for the longer of the Useful Life or the term of this Agreement, either in fee simple or for a term of years that is not subject to third-party revocation during the Useful Life of the Project.

The Recipient possesses all water rights necessary for this Project.

C.1.6 Solvency and Insurance.

None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

C.1.7 Legal Status and Eligibility.

The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. The Recipient acknowledges that changes to its legal or financial status may affect its eligibility for funding under this Agreement and commits to maintaining its eligibility. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

C.1.8 Financial Statements and Continuing Disclosure.

The financial statements of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

C.1.9 System Obligations

The Recipient has no System Obligations other than those defined in this Agreement.

C.1.10 No Other Material Obligations.

The Recipient has no Material Obligations other than System Obligations.

C.1.11 Compliance with State Water Board Funding Agreements.

The Recipient represents that it is in compliance with all State Water Board funding agreements to which it is a party.

C.2 DEFAULTS AND REMEDIES

In addition to any other remedy set forth in this Agreement, the following remedies are available under this Agreement.

C.2.1 Return of Funds; Acceleration; and Additional Payments.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, immediately to do each of the following:

i. return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement;
ii. accelerate the payment of any principal owed under this Agreement, all of which shall be immediately due and payable;
iii. pay interest at the highest legal rate on all of the foregoing; and
iv. pay any Additional Payments.

C.2.2 Reserved.

C.2.3 Administrative remedies.

Whenever the State Water Board determines that the Recipient, the Recipient's contractor, consultant, employee, agent, assignee, or grantee has violated any requirement or term of the Agreement, the State Water Board may impose civil penalties in accordance with Water Code, section 13497. The State Water Board may impose civil liability administratively against the Recipient or the Recipient's consultant or contractor or other agent furnishing any information related to funds disbursed or costs claimed for reimbursement if the Recipient or the Recipient's consultant or contractor or other agent fails to personally attest that the information is true, accurate, and complete the best of one's knowledge. (Wat. Code, § 13498.) The State Water Board may impose civil liability administratively against any person who makes a misrepresentation in any submittal to the State Water Board, including, but not limited to, an application, report, certification, record, invoice, form, or other document that is submitted to the State Water Board relating to a financial assistance agreement. (Wat. Code, § 13499.)

C.2.4 Judicial remedies.

Whenever the State Water Board determines that an Event of Default shall have occurred, the State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. Without limiting the generality of the foregoing, the State Water Board may:

i. by suit in equity, require the Recipient to account for amounts relating to this Agreement as if the Recipient were the trustee of an express trust;
ii. by mandamus or other proceeding, compel the performance by the Recipient and any of its officers, agents, and employees of any duty under the law or of any obligation or covenant under this Agreement, including but not limited to the imposition and collection of rates for the services of the System sufficient to meet all requirements of this Agreement; and
iii. take whatever action at law or in equity as may appear necessary or desirable to the State Water Board to collect the Payments then due or thereafter to become due, or to enforce performance of any obligation or covenant of the Recipient under this Agreement.

Upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the State Water Board under this Agreement, the State Water Board may make application for the appointment of a receiver or custodian of the Revenues, pending such proceeding, with such power as the court making such appointment may confer.

C.2.5 Termination.

Upon an Event of Default, the State Water Board may terminate this Agreement. Interest shall accrue on all amounts due at the highest legal rate of interest from the date that the State Water Board delivers notice of termination to the Recipient.

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C.2.6 Damages for Breach of Tax-Exempt Status.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the loss of tax-exempt status for any bonds of the State or any subdivision or agency thereof, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.7 Damages for Breach of Federal Conditions.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.8 Remedies and Limitations.

None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy.

Any claim of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the claims procedures provided to the Recipient under this Agreement.

C.2.9 Non-Waiver.

Nothing in this Agreement shall affect or impair the Recipient's Obligation to pay Payments as provided herein or shall affect or impair the right of the State Water Board to bring suit to enforce such payment. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement.

C.2.10 Status Quo.

If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights and remedies as if no such action had been brought.

C.3 STANDARD CONDITIONS

C.3.1 Access, Inspection, and Public Records.

The Recipient must ensure that the State Water Board, the Governor of the State, the USEPA, the USEPA's Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of the Agreement. The Recipient acknowledges that, except for a subset of information regarding archaeological records, the Project records and locations are public records, including but not limited to all of the submissions accompanying the application, all of the

documents incorporated into this Agreement by reference, and all reports, reimbursement requests, and supporting documentation submitted hereunder.

C.3.2 Accounting and Auditing Standards; Financial Management Systems; Records Retention.

(a) The Recipient must maintain project accounts according to GAAP as issued by the Governmental Accounting Standards Board (GASB) or its successor. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets.

(b) The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient must comply with the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed $750,000, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

(c) Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

i. Establish an official file for the Project which adequately documents all significant actions relative to the Project;
ii. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all assistance funds received under this Agreement;
iii. Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to assistance funds disbursed under this Agreement;
iv. Establish an accounting system which will accurately depict final total costs of the Project, including both direct and indirect Costs;
v. Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
vi. If Force Account is used by the Recipient for any phase of the Project, other than for planning, design, and construction engineering and administration provided for by allowance, accounts will be established which reasonably

document all employee hours charged to the Project and the associated tasks performed by each employee.

(d) The Recipient must maintain separate books, records and other material relative to the Project. The Recipient must also retain such books, records, and other material for itself and for each contractor or subcontractor who performed or performs work on this project for a minimum of thirty-six (36) years after Completion of Construction. The Recipient must require that such books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the California State Auditor, the Bureau of State Audits, the USEPA, the USEPA's Office of Inspector General, the Internal Revenue Service, the Governor, or any authorized representatives of the aforementioned. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

C.3.3 Amendment.

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee.

Requests for amendments must be in writing and directed to the contact listed in Section 4 and to the Division's Chief of Loans and Grants Administration Section.

C.3.4 Assignability.

This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board in the form of a formal written amendment to this Agreement.

C.3.5 Audit.

(a) The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of state or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division.

(b) Audit disallowances must be returned to the State Water Board.

C.3.6 Bonding.

Where contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00.

C.3.7 Competitive Bidding

Recipient must adhere to any applicable state law or local ordinance for competitive bidding and applicable labor laws.

C.3.8 Compliance with Applicable Laws, Rules, and Requirements.

The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, to the extent applicable, the Recipient must:

(a) Comply with the provisions of the adopted environmental mitigation plan, if any, for the term of this Agreement;

(b) Comply with the Policy; and

(c) Comply with and require compliance with the state and federal requirements set forth elsewhere in this Agreement.

C.3.9 Computer Software.

The Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

C.3.10 Conflict of Interest.

The Recipient certifies that its owners, officers, directors, agents, representatives, and employees are in compliance with applicable state and federal conflict of interest laws.

C.3.11 Continuous Use of Project; No Lease, Sale, Transfer of Ownership, or Disposal of Project.

The Recipient agrees that, except as provided in this Agreement, it will not abandon, substantially discontinue use of, lease, sell, transfer ownership of, or dispose of all or a significant part or portion of the Project during the Useful Life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all disbursed Project Funds or all or any portion of all remaining funds covered by this Agreement together with accrued interest and any penalty assessments that may be due.

C.3.12 Data Management.

The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

C.3.13 Disputes.

(a) The Recipient may appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute.

(b) This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.

(c) Recipient must continue with the responsibilities under this Agreement during any dispute.

(d) This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

C.3.14 Reserved.

C.3.15 Environmental Clearance.

(a) No work that is subject to CEQA or NEPA may proceed under this Agreement unless the State Water Board has provided environmental clearance. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement.

(b) If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

C.3.16 Governing Law.

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

C.3.17 Income Restrictions.

The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient under this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

C.3.18 Indemnification and State Reviews.

The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board, the Bank, and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the System or the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the System or the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water

Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System or the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

C.3.19 Independent Actor.

The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

C.3.20 Integration.

This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

C.3.21 Leveraging Covenants.

(a) Notwithstanding any other provision hereof, the Recipient covenants and agrees that it will comply with the Tax Covenants set forth in Exhibit F of this Agreement.

(b) The Recipient covenants to furnish such financial, operating and other data pertaining to the Recipient as may be requested by the State Water Board to: (i) enable the State Water Board to cause the issuance of Bonds and provide for security therefor; or (ii) enable any underwriter of Bonds issued for the benefit of the State Water Board to comply with Rule 15c2-12(b)(5).

(c) The Recipient further covenants to provide the State Water Board with copies of all continuing disclosure documents or reports that are disclosed pursuant to (i) the Recipient's continuing disclosure undertaking or undertakings made in connection with any outstanding System Obligation, (ii) the terms of any outstanding System Obligation, or (iii) a voluntary disclosure of information related to an outstanding System Obligation. The Recipient must disclose such documents or reports to the State Water Board at the same time such documents or reports are submitted to any dissemination agent, trustee, nationally recognized municipal securities information repository, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website or other person or entity.

C.3.22 No Discrimination.

(a) The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project or System on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital

status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project.

(b) If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property.

(c) The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b).

(d) The Recipient's obligations under this section shall survive the term of this Agreement.

(e) During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status.

(f) The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

(g) The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.;Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

(h) The Recipient, its contractors, and subcontractors must comply with all applicable federal civil rights regulations, including statutory and national policy requirements. (2 CFR § 200.300). This includes, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech. (Executive Order 13798).

(i) The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

(j) The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

C.3.23 No Third Party Rights.

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein.

C.3.24 No Obligation of the State.

Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

C.3.25 Notice.

Upon the occurrence of any of the following events, the Recipient must provide notice as set forth below.

(a) Within 24 hours of the following, the Recipient must notify the Division by phone at (916) 327-9978 and by email to [PM email address and senior email address] and DrinkingWaterSRF@waterboards.ca.gov of:

i. The seizure of, or levy on, any Revenues securing this Agreement;
ii. Any discovery of any potential tribal cultural resource, archaeological or historical resource, or human remains in the Project area (also notify the Division's Senior Cultural Resources Officer, Lisa.Machado@waterboards.ca.gov or (916) 323-0626). Should a potential tribal cultural resource or archaeological or historical resource be discovered during construction or Project implementation, the Recipient must ensure that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Division has determined what actions should be taken to protect and preserve the resource. The Recipient must implement appropriate actions as directed by the Division. If there are any applicable provisions of a mitigation, monitoring and reporting program adopted for the Project, the Recipient shall comply with such provisions. In the event of the discovery of human remains during construction of the Project, the Recipient shall cease construction and take other action required by any applicable laws, which may include but are not limited to Health and Safety Code, section 7050.5 and Public Resources Code, section 5097.98.

(b) Within five (5) business days, the Recipient must notify the Division by phone at (916) 327-9978; by email to Lance.Reese@waterboards.ca.gov [PM email address and senior email address] and DrinkingWaterSRF@waterboards.ca.gov; and by mail to the contact address set forth in Section 4 of this Agreement of the occurrence of any of the following events:

i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;
ii. Change of ownership of the Project or the System or change of management or service contracts, if any, for operation of the System;
iii. Loss, theft, damage, or impairment to Project, the Revenues or the System;
iv. Failure to meet any debt service coverage test in Exhibit B of this Agreement;
v. Draws on the Reserve Fund;
vi. Listed Events and Events of Default, except as otherwise set forth in this section;
vii. Failure to observe or perform any covenant or comply with any condition in this Agreement;
viii. An offer from a public entity to purchase the Project or the System or any portion thereof, or any of the real or personal property related to or necessary for the Project;
ix. A proceeding or action by a public entity to acquire the Project or the System by power of eminent domain;
x. Incurrence of a System Obligation or other Material Obligation by the Recipient; or
xi. A default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a System Obligation or other Material Obligation of the Recipient, any of which reflect financial difficulties.

(c) Within ten (10) business days, the Recipient must notify the Division by phone at (916) 327-9978, by email to [PM email address and senior email address] and DrinkingWaterSRF@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of the following events:

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i. Material defaults on Material Obligations, other than this Obligation;
ii. Unscheduled draws on material debt service reserves or credit enhancements, reflecting financial difficulties;
iii. Substitution of credit or liquidity providers, if any or their failure to perform;
iv. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity to operate the System or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a significant effect on the Project or the System;
v. Circulation of a petition to repeal, reduce, or otherwise challenge the Recipient's rates for services of the System;
vi. Consideration of dissolution, or disincorporation, or any other event that could materially impair the Revenues;
vii. Adverse tax opinions, the issuance by the Internal Revenue Service or proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of any tax-exempt bonds;
viii. Rating changes on outstanding System Obligations, if any;
ix. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board; or
x. Any investigation by the District Attorney, California State Auditor, Bureau of State Audits, USEPA's Office of Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;

(d) The Recipient must notify the Division promptly by phone at (916) 327-9978, by email to [PM email address and senior email address] and DrinkingWaterSRF@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of any of the following events:

i. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this financial assistance, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;
ii. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the proposed change has been provided to the Division and the Division has given written approval for the change;
iii. Cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more;
iv. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Completion of Construction for a period of ninety (90) days or more;
v. Discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during construction of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;
vi. Any Project monitoring, demonstration, or other implementation activities required in Exhibit A or Exhibit D of this Agreement, if any;
vii. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state and federal representatives with at least ten (10) working days' notice to the Division;

viii. Any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, as required by Exhibit C.4.3(xxvii);
ix. Any events requiring notice to the Division pursuant to the provisions of this Agreement;
x. Completion of Construction of the Project, and actual Project Completion;
xi. The award of the prime construction contract for the Project;
xii. Initiation of construction of the Project.

C.3.26 Operation and Maintenance; Insurance.

The Recipient agrees to sufficiently and properly staff, operate and maintain all portions of the System during the Useful Life of the Project in accordance with all applicable state and federal laws, rules, and regulations.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens. If such net proceeds are insufficient to reconstruct, repair, or restore the System to the extent necessary to enable the Recipient to pay all remaining unpaid principal portions of the Payments, if any, in accordance with the terms of this Agreement, the Recipient must provide additional funds to restore or replace the damaged portions of the System.

Recipient agrees that for any policy of insurance concerning or covering the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing the State Water Board, its officers, agents, employees, and servants as additional insured; and must provide the Division with a copy of all such certificates prior to the commencement of construction of the Project.

C.3.27 Permits, Subcontracting, and Remedies.

Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction begins.

The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses

and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

C.3.28 Professionals.

The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. To demonstrate compliance with California Code of Regulations, title 16, sections 415 and 3065, all technical reports must contain a statement of the qualifications of the responsible registered professional(s). As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

C.3.29 Prevailing Wages.

The Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. The Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the prevailing wage provisions of the State Labor Code are being met.

In addition, the Recipient agrees to comply with the Davis-Bacon provisions incorporated by reference in Section 3 of this Agreement.

C.3.30 Public Funding.

This Project is publicly funded. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances.

C.3.31 Recipient's Responsibility for Work.

The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

C.3.32 Related Litigation.

Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Quality Control Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to repay all of the disbursed funds plus interest in the event that Recipient does not complete the project.

C.3.33 Rights in Data.

The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request.

C.3.34 State Water Board Action; Costs and Attorney Fees.

Any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Recipient, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

C.3.35 Timeliness.

Time is of the essence in this Agreement.

C.3.36 Unenforceable Provision.

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

C.3.37 Venue

Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

C.3.38 Waiver and Rights of the State Water Board.

Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State Water Board provided for in this Agreement are in addition to any other rights and remedies provided by law.

C.4 MISCELLANEOUS STATE AND FEDERAL REQUIREMENTS

C.4.1 Reserved.

C.4.2 State Cross-Cutters.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

i. The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

ii. Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.

iii. Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.

iv. Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.

v. Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.

vi. Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).

vii. Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.

viii. Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.

ix. Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.

x. Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.

xi. The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.

xii. Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

C.4.3 Federal Requirements and Cross-Cutters for SRF Funding.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement and for the Useful Life of the Project:

i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase “iron and steel products” produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all “iron and steel products” used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

"Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

ii. The Recipient acknowledges that funds received under this Agreement are subject to the Build America Buy America (BABA) requirements of Public Law 117-58 (the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), signed into law on November 15, 2021), which are in addition to "iron and steel products" requirements described in section C.4.3 (i) above. Specifically, unless (1) the Recipient has requested and obtained a waiver from USEPA on file with the State Water Board pertaining to the Project or the Project is otherwise covered by a general applicability waiver, as confirmed in writing by the State Water Board; or (2) the State Water Board and, to the extent the Project is co-funded by any other agency using federal funds subject to BABA requirements, each such agency, has advised the Recipient in writing that the BABA requirements are not applicable to the Project, the Recipient shall ensure and certifies that, as these terms are defined within and made applicable by Public Law 117-58:

(a) all iron and steel used in the Project are produced in the United States;
(b) the manufactured products used in the Project are produced in the United States; and
(c) the construction materials used in the Project are produced in the United States.

The Recipient must comply and require its contractors and subcontractors to comply with all applicable BABA requirements and reporting and must inform the State Water Board immediately of any information regarding a violation of the foregoing.

iii. The Recipient must include in full the Wage Rate Requirements (Davis-Bacon) language incorporated by reference in Section 3 of this Agreement in all construction contracts and subcontracts.

iv. The Recipient must comply with the signage requirements set forth in Exhibit A.

v. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

vi. The Recipient shall comply with applicable USEPA general terms and conditions found at https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later.

vii. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award Management, to the State Water Board.

viii. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

ix. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy. A conflict of interest may result in disallowance of costs.

x. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.

xi. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at http://iEdison.gov and shall notify the Division when an invention report, patent report, or utilization report is filed.

xii. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Disclosure statement set forth in Exhibit A.

xiii. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.

xiv. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

xv. The Recipient certifies to the best of its knowledge and belief that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursements under this Agreement.

xvi. The Recipient must comply with the following federal non-discrimination requirements:

a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
c. The Age Discrimination Act of 1975, which prohibits age discrimination.
d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
e. 40 CFR Part 7, as it relates to the foregoing.

xvii. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

xviii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.

xix. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov

xx. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.

xxi. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

xxii. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

xxiii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.

xxiv. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

xxv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

xxvi. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at https://www.epa.gov/osa/policy-epa-scientific-integrity, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are

not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

xxvii. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples.

xxviii. The Recipient certifies that no Project Funds will be used on:

a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
b. Telecommunications or video surveillance services produced by such entities;
c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
d. Other telecommunications or video surveillance services or equipment in violation of 2 CFR 200.216.

xxix. The Recipient agrees to ensure that if the Project includes lead service line replacement, each lead service line replaced using Project Funds must be replaced in its entirety, unless the remaining portion of that service line has already been replaced or is concurrently being replaced with another funding source.

xxx. The Recipient agrees to comply with all federal environmental cross-cutters, including the following:

a. Archeological and Historic Preservation Act (16 U.S.C. § 469; 54 U.S.C. §§ 312501-312508)
b. Clean Air Act Conformity (42 U.S.C. § 7401)
c. Coastal Barriers Resources Act (16 U.S.C. § 3501 et seq.)
d. Coastal Zone Management Act (16 U.S.C. § 1451 et seq.)
e. Endangered Species Act (16 U.S.C. § 1531 et seq.)
f. Farmland Protection Policy Act (7 U.S.C. § 4201 et seq.)
g. Floodplain Management [Executive Order 11988 (1997), as amended by Executive Order No. 13690 (2015)]
h. Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. § 1801 et seq.)

i. National Historic Preservation Act (54 U.S.C. §§ 300101 et seq.)
j. Sole Source Aquifer, section 1424(e) of Safe Drinking Water Act, 42 U.S.C. 300h-3(e)
k. Wetlands Protection – Executive Order No. 11990 (1977), as amended by Executive Order no. 12608 (1997)
l. Wild and Scenic Rivers Act (16 U.S.C. § 1271 et seq.)

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EXHIBIT D – SPECIAL CONDITIONS

[environmental]

FUNDS RELATED TO CONTAMINATION.

a. As a condition precedent to this Agreement, the Recipient shall (i) notify the Division of any demands, including but not limited to litigation and insurance claims, made by the Recipient against third parties for reimbursement of costs, monetary damages, or other relief, related to drinking water contamination, including but not limited to contamination by 1,2,3-trichloropropane (1,2,3-TCP), perfluoroalkyl and polyfluoroalkyl substances (PFAS), or other contaminants (Contamination-Related Demands); (ii) notify the Division of any payments or funds received by the Recipient, agreements, settlements, and court or administrative orders that have arisen out of or are related to drinking water contamination or Contamination-Related Demands (Contamination-Related Payments, Agreements, or Orders); and (iii) to the extent requested by the Division or the Division's counsel, provide information and access to documentation of any Contamination-Related Demands and Contamination-Related Payments, Agreements, or Orders.

b. After execution of this Agreement, the Recipient shall promptly notify the Division of the new occurrence of any Contamination-Related Demands and Contamination-Related Payments, Agreements, or Orders. Upon request, the Recipient shall promptly provide information and access to documents to the extent requested by the Division or the Division's counsel.

c. The Recipient shall not spend or allocate any funds received as a result of Contamination-Related Demands or Contamination-Related Payments, Agreements, or Orders (Recovered Funds) unless the Recipient has obtained written consent for the use of such Recovered Funds from the Division. At the discretion of the Division, the Project Funding Amount of this Agreement may be reduced, disbursements may be withheld, and the Agreement may be rescinded, to offset the amount of any Recovered Funds or any Contamination-Related Payments, Agreements, or Orders. Upon demand by the Division, the Recipient shall return Project Funds to offset any Recovered Funds or Contamination-Related Payments, Agreements, or Orders within thirty (30) days or within another time period approved by the Division. The Recipient shall ensure that no duplicative reimbursements of costs occur under this Agreement and any past or future Recovered Funds or Contamination-Related Payments, Agreements, or Orders. Noncompliance with this Funds Related to Contamination section shall be an Event of Default.

d. If the Recipient is not regulated by the California Public Utilities Commission (CPUC), the provisions of this paragraph (d) shall apply. If the Division provides written consent, the Recipient may place Recovered Funds into a restricted reserve account to be used for one of the following purposes but only if such purpose is approved by the Division: (1) as co-funding or match funding for the Project, (2) for a capital improvement project other than the Project that addresses the associated drinking water contamination, (3) for Operations and Maintenance Costs related to addressing the associated drinking water contamination, (4) for Operations and Maintenance Costs of the System in general, or (5) for other purposes approved by the Division. To the extent requested by the Division, the Recipient shall provide access to (i) documentation satisfactory to the Division showing the total amount of Recovered Funds deposited into a restricted reserve account prior to the start of construction of the Project and (ii) documentation thereafter of any Recovered Funds that Recipient receives and places into such an account.

e. If the Recipient is regulated by the CPUC, paragraph (d) shall not apply, and the Recipient shall comply with all applicable CPUC rules with respect to the Recovered Funds

and shall provide to the Division copies of all notices, applications, and any other documents filed with the CPUC, and any documents issued by the CPUC, within 10 days of submittal or issuance as applicable, with respect to the receipt and use of Recovered Funds and with respect to any proposed transfer of any assets funded by Recovered Funds.

Executive Order N-6-22 — Russian Sanctions.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf and the sanctions identified on the United States Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars ($5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars ($5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;

2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and

3. Direct support to the government and people of Ukraine.

EXHIBIT E – PAYMENT SCHEDULE

See the attached preliminary Payment Schedule. The final Payment Schedule will be forwarded to the Recipient after all disbursements have been paid and construction of the Project has been completed.

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EXHIBIT F – TAX CERTIFICATE

F.1 Purpose.

The purpose of this Exhibit F is to establish the reasonable expectations of the Recipient regarding the Project and the Project Funds, and is intended to be and may be relied upon for purposes of Sections 103, 141 and 148 of the Code and as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. This Exhibit F sets forth certain facts, estimates and circumstances which form the basis for the Recipient's expectation that neither the Project nor the Bond Funded Portion of the Project Funds is to be used in a manner that would cause the Obligation to be classified as "arbitrage bonds" under Section 148 of the Code or "private activity bonds" under Section 141 of the Code.

F.2 Tax Covenant.

The Recipient agrees that it will not take or authorize any action or permit any action within its reasonable control to be taken, or fail to take any action within its reasonable control, with respect to the Project which would result in the loss of the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code.

F.3 Governmental Unit.

The Recipient is a state or local governmental unit as defined in Section 1.103-1 of the Treasury Regulations or an instrumentality thereof (a "Governmental Unit") and is not the federal government or any agency or instrumentality thereof.

F.4 Financing of a Capital Project.

The Recipient will use the Project Funds to finance capital expenditures it has incurred or will incur for the construction, reconstruction, installation or acquisition of the Project in accordance with the terms of this Agreement. Such expenditures shall not have previously been financed with the proceeds of any other issue of indebtedness except for interim financing by the Recipient, the date of maturity, prepayment or redemption of which is within thirty (30) days of the date of disbursement of Project Funds under this Agreement. All Project Funds shall be allocated to expenditures by the Recipient within thirty (30) days of the date of disbursement, including (if at all) Project Funds allocated to repay interim financing of the Recipient. For purposes of this Section F.4, "interim financing" means notes, commercial paper, loans, lines of credit and other forms of short-term borrowing.

F.5 Ownership and Operation of Project.

The Recipient exclusively owns and, except as provided in Section F.12 hereof, operates the Project.

F.6 Temporary Period.

The Recipient reasonably expects that at least eighty-five percent (85%) of the Bond Funded Portion of the Project Funds will be allocated to expenditures for the Project within three (3) years of the earlier of the effective date of this Agreement or the date the Bonds are issued ("Applicable Date"). The Recipient has incurred, or reasonably expects that it will incur within six (6) months of the Applicable Date, a substantial binding obligation (i.e., not subject to contingencies within the control of the Recipient or a related party) to a third party to expend at least five percent (5%) of the Bond Funded Portion of the Project Funds on Project Costs. The completion of acquisition, construction, improvement and equipping

of the Project and the allocation of the Bond Funded Portion of the Project Funds to Project Costs will proceed with due diligence.

F.7 Working Capital.

No operational expenditures of the Recipient or any related entity are being, have been or will be financed or refinanced with Project Funds.

F.8 Expenditure of Proceeds.

The Bond Funded Portion of the Project Funds shall be used exclusively for the following purposes: (i) Reimbursement Expenditures (as defined in Section F.20 below), (ii) Preliminary Expenditures (as defined in Section F.20 below) in an aggregate amount not exceeding twenty percent (20%) of the Bond Funded Portion of the Project Funds, (iii) capital expenditures relating to the Project originally paid by the Recipient on or after the date hereof, (iv) interest on the Obligation through the later of three (3) years after the Applicable Date or one (1) year after the Project is placed in service, and (v) initial operating expenses directly associated with the Project in the aggregate amount not more than five percent (5%) of the Bond Funded Portion of the Project Funds.

F.9 Private Use and Private Payments.

No portion of the Project Funds or the Project is being, has been or will be used in the aggregate for any activities that constitute a Private Use (as defined below). No portion of the principal of or interest with respect to the Payments will be secured by any interest in property (whether or not the Project) used for a Private Use or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use. "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities, other than a Governmental Unit. The leasing of the Project or the access by or the use of the Project by a person or entity other than a Governmental Unit on a basis other than as a member of the general public shall constitute a Private Use. Use by or on behalf of the State of California or any of its agencies, instrumentalities or subdivisions or by any local Governmental Unit and use as a member of the general public will be disregarded in determining whether a Private Use exists. Use under an arrangement that conveys priority rights or other preferential benefits is generally not use on the same basis as the general public. Arrangements providing for use that is available to the general public at no charge or on the basis of rates that are generally applicable and uniformly applied do not convey priority rights or other preferential benefits. For this purpose, rates may be treated as generally applicable and uniformly applied even if (i) different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable; or (ii) a specially negotiated rate arrangement is entered into, but only if the user is prohibited by federal law from paying the generally applicable rates, and the rates established are as comparable as reasonably possible to the generally applicable rates. An arrangement that does not otherwise convey priority rights or other preferential benefits is not treated, nevertheless, as general public use if the term of the use under the arrangement, including all renewal options, is greater than 200 days. For this purpose, a right of first refusal to renew use under the arrangement is not treated as a renewal option if (i) the compensation for the use under the arrangement is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal; and (ii) the use of the financed property under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business.

F.10 No Sale, Lease or Private Operation of the Project.

The Project (or any portion thereof) will not be sold or otherwise disposed of, in whole or in part, to any person who is not a Governmental Unit prior to the final maturity date of the Obligation. The Project will not be leased to any person or entity that is not a Governmental Unit prior to the final maturity date of the Obligation. Except as permitted under Section F.12 hereof, the Recipient will not enter any contract or

arrangement or cause or permit any contract or arrangement to be entered with persons or entities that are not Governmental Units if that contract or arrangement would confer on such persons or entities any right to use the Project on a basis different from the right of members of the general public. The contracts or arrangements contemplated by the preceding sentence include but are not limited to management contracts, take or pay contracts or put or pay contracts, and capacity guarantee contracts.

F.11 No Disproportionate or Unrelated Use.

No portion of the Project Funds or the Project is being, has been, or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the Project Funds.

F.12 Management and Service Contracts.

The Recipient represents that, as of the date hereof, it is not a party to any contract, agreement or other arrangement with any persons or entities engaged in a trade or business (other than Governmental Units) that involve the management or operation of property or the provision of services at or with respect to the Project that does not comply with the standards of the Treasury Regulations, or Revenue Procedure 2017-13, as applicable. The Recipient represents that it will not be party to any such contract, agreement or arrangement with any person or entity that is not a Governmental Unit for the management of property or the provision of services at or with respect to the Project, while the Obligation (including any obligation or series thereof issued to refund the Obligation, as the case may be) is outstanding, except: (a) with respect to any contract, agreement or arrangement that does not constitute "private business use" of the Project under Code §141(b), or (b) with respect to any contract, agreement or arrangement that complies with (i) Revenue Procedure 97-13, 1997-1 C.B. 632, as amended by Revenue Procedure 2001-39, 2001-2 C.B. 38, and as amplified by Notice 2014-67, with respect to contracts entered into before August 18, 2017 and not materially modified or extended after August 18, 2017, or (ii) Revenue Procedure 2017-13, with respect to contracts entered into or materially modified or extended on or after August 18, 2017, or (c) with respect to any contract, agreement or arrangement that does not give rise to use of the Bond Funded Portion of the Project Funds or the Project by a non-Governmental Unit of more than the amount of such non-qualified use permitted by the Code, or (d) in the event that the Recipient receives an opinion of counsel, satisfactory to the State Water Board and the Bank and expert in the issuance of state and local government bonds the interest on which is excluded from gross income under Section 103 of the Code ("Nationally-Recognized Bond Counsel"), that such contract, agreement or arrangement will not adversely affect the exclusion of the interest on the Obligation from gross income for federal income taxation purposes.

F.13 No Disposition of Financed Property.

As of the date hereof, the Recipient does not expect to sell or otherwise dispose of any portion of the Project, in whole or in part, prior to the final maturity date of the Obligation.

F.14 Useful Life of Project.

As of the date hereof, the Recipient reasonably expects that the economic useful life of the Project, commencing at Project Completion, will be at least equal to the term of this Agreement, as set forth in Exhibit A hereto.

F.15 Payments.

Payments generally are expected to be derived from assessments, taxes, fees, charges or other current Revenues of the Recipient in each year, and such current Revenues are expected to equal or exceed the Payments during each payment period. Any amounts accumulated in a sinking fund or bona fide debt service fund to pay Payments (whether or not deposited to a fund or account established by the Recipient) will be disbursed to pay Payments within thirteen months of the initial date of accumulation or

deposit. Any such fund used for the payment of Payments will be depleted once a year except for a reasonable carryover amount not exceeding the greater of earnings on such fund or one-twelfth of the Payments in either case for the immediately preceding year.

F.16 No Other Replacement Proceeds.

The Recipient will not use any of the Bond Funded Portion of the Project Funds to replace or substitute other funds of the Recipient that were otherwise to be used to finance the Project or which are or will be used to acquire securities, obligations or other investment property reasonably expected to produce a yield that is materially higher than the yield on the Bonds.

F.17 No Sinking or Pledged Fund.

Except as set forth in Section F.18 below, the Recipient will not create or establish any sinking fund or pledged fund which will be used to pay Payments on the Obligation within the meaning of Section 1.148-1(c) of the Treasury Regulations. If any sinking fund or pledged fund comes into being with respect to the Obligation before the Obligation has been fully retired which may be used to pay the Payments, the Recipient will invest such sinking fund and pledged fund moneys at a yield that does not exceed the yield on the Bonds.

F.18 Reserve Amount.

The State Water Board requires that the Recipient maintain and fund a separate account in an amount equal to one (1) year of debt service with respect to the Obligation (the "Reserve Amount") as set forth in Exhibit B. The Recipient represents that the Reserve Amount is and will be available to pay debt service with respect to the Obligation, if and when needed. The Reserve Amount consists solely of revenues of the Recipient and does not include any proceeds of any obligations the interest on which is excluded from gross income for federal income tax purposes or investment earnings thereon. The aggregate of the Reserve Amount, up to an amount not exceeding the lesser of (i) ten percent of the aggregate principal amount of the Obligation, (ii) the maximum annual debt service with respect to the Obligation, or (iii) 125 percent of the average annual debt service with respect to the Obligation, will be treated as a reasonably required reserve fund.

F.19 Reimbursement Resolution.

The "reimbursement resolution" adopted by the Recipient is incorporated herein by reference.

F.20 Reimbursement Expenditures.

Reimbursements are disallowed, except as specifically authorized in Exhibit B or Exhibit D of this Agreement. To the extent so authorized, a portion of the Bond Funded Portion of the Project Funds may be applied to reimburse the Recipient for Project Costs paid before the date hereof, so long as the Project Cost was (i) not paid prior to sixty (60) days before the Recipient's adoption of a declaration of official intent to finance the Project, (ii) not paid more than eighteen (18) months prior to the date hereof or the date the Project was placed-in-service, whichever is later, and (iii) not paid more than three (3) years prior to the date hereof (collectively, "Reimbursement Expenditures"), unless such cost is attributable to a "preliminary expenditure." Preliminary expenditure for this purpose means architectural, engineering, surveying, soil testing and similar costs incurred prior to the commencement of construction or rehabilitation of the Project, but does not include land acquisition, site preparation and similar costs incident to the commencement of acquisition, construction or rehabilitation of the Project. Preliminary expenditures may not exceed 20% of the Bond Funded Portion of the Project Funds.

F.21 Change in Use of the Project.

The Recipient reasonably expects to use all of the Bond Funded Portion of the Project Funds and the Project for the entire stated term to maturity of the Obligation. Absent an opinion of Nationally-Recognized Bond Counsel to the effect that such use of the Bond Funded Portion of the Project Funds will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code, the Recipient will use the Bond Funded Portion of the Project Funds and the Project solely as set forth in this Agreement.

F.22 Rebate Obligations.

If the Recipient satisfies the requirements of one of the spending exceptions to rebate specified in Section 1.148-7 of the Treasury Regulations, amounts earned from investments, if any, acquired with the Bond Funded Portion of the Project Funds will not be subject to the rebate requirements imposed under Section 148(f) of the Code. If the Recipient fails to satisfy such requirements for any period, it will notify the State Water Board and the Bank immediately and will comply with the provisions of the Code and the Treasury Regulations at such time, including the payment of any rebate amount calculated by the State Water Board or the Bank.

F.23 No Federal Guarantee.

The Recipient will not directly or indirectly use any of the Bond Funded Portion of the Project Funds in any manner that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code, taking into account various exceptions including any guarantee related to investments during an initial temporary period until needed for the governmental purpose of the Bonds, investments as part of a bona fide debt service fund, investments of a reasonably required reserve or replacement fund, investments in bonds issued by the United States Treasury, investments in refunding escrow funds or certain other investments permitted under the Treasury Regulations.

F.24 Amendments.

The provisions in this Exhibit may be amended, modified or supplemented at any time to reflect changes in the Code upon obtaining written approval of the State Water Board and the Bank and an opinion of Nationally-Recognized Bond Counsel to the effect that such amendment, modification or supplement will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code.

F.25 Reasonable Expectations.

The Recipient warrants that, to the best of its knowledge, information and belief, and based on the facts and estimates as set forth in the tax covenants in this Exhibit, the expectations of the Recipient as set forth in this Exhibit are reasonable. The Recipient is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in the provisions in this Exhibit.

F.26 Assignment.

The Recipient consents to any pledge, sale, or assignment to the Bank or a trustee for the benefit of the owners of the Bonds, if any, at any time of any portion of the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement and the right to make all related waivers and agreements in the name and on behalf of the State Water Board, as agent and attorney-in-fact, and to perform all other related acts which are necessary and appropriate under this Agreement, if any, and the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement to Payments (but excluding the State Water Board's rights to Additional Payments and to notices, opinions and indemnification under each Obligation).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR REIMBURSEMENT OF STATE REVOLVING FUNDS FOR WELL 53 EQUIPPING PROJECT FROM THE STATE OF CALIFORNIA RESOURCES CONTROL BOARD.

WHEREAS, the City of Ontario desires to finance the costs of Well No. 53 Equipping, constructing and/or reconstructing certain public facilities and improvements relating to its water system, including certain treatment facilities, pipelines, and other infrastructure (the "Project"); and

WHEREAS, the City of Ontario intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board); and

WHEREAS, the State Water Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds, the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the City of Ontario has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations.

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

SECTION 1. The City of Ontario hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is $8,000,000.

SECTION 3. This Resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 6. This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

SECTION 7. All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

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

PASSED, APPROVED, AND ADOPTED this 6th day of October 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 October 6, 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 October 6, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

Attachment F7
(schedule of System Obligations)

SCHEDULE OF SYSTEM OBLIGATIONS

Except for the following and the Obligation evidenced by this Agreement, the Recipient certifies that it has no outstanding System Obligations and that it is in compliance with all applicable additional debt provisions of the following:

The following related debts are senior to the proposed DWSRF financing:

Name of Lender and Title of Debt or Loan Number	Debt Security or Source of Revenue	Debt Service Coverage Requirement	Original Debt Amount	Current Balance	Payment Amount	Interest Rate	Debt Term & Maturity Date
City of Ontario Water Revenue Refunding Bonds, Series 2021	Net Water System Revenues	125%	$67,550,000	$54,785,000	See debt service schedule	.541% - 2.949%	22 years: 8/01/2043
Installment Purchase Agreement relating to Ontario Public Financing Authority Water Revenue Bonds, Series 2024A	Net Water System Revenues	125%	$43,955,000	$42,115,000	See debt service schedule	5.00%	25 years: 8/01/2049

The following related debts are on parity to the proposed Financing Agreement:

Name of Lender and Title of Debt or Loan Number	Debt Security or Source of Revenue	Debt Service Coverage Requirement	Original Debt Amount	Current Balance	Payment Amount	Interest Rate	Debt Term & Maturity Date

The following related debts are subordinate to the proposed Financing Agreement:

Name of Lender and Title of Debt or Loan Number	Debt Security or Source of Revenue	Debt Service Coverage Requirement	Original Debt Amount	Current Balance	Payment Amount	Interest Rate	Debt Term & Maturity Date

Attach copies of the debt documents associated with the above debts.

DEBT SERVICE SCHEDULE

CALIFORNIA OFFICE - LOS ANGELES

Issuer: ONTARIO WATER REV REF BDS SER 2021 **9643**

Pay#	Date	Interest	Principal		Total Payment	Balance
1	08/01/2022	957,387.45	2,360,000.00		3,317,387.45	65,190,000.00
2	02/01/2023	759,526.17	0.00		759,526.17	65,190,000.00
3	08/01/2023	759,526.17	2,565,000.00		3,324,526.17	62,625,000.00
4	02/01/2024	751,305.34	0.00		751,305.34	62,625,000.00
5	08/01/2024	751,305.34	2,580,000.00		3,331,305.34	60,045,000.00
6	02/01/2025	738,689.14	0.00		738,689.14	60,045,000.00
7	08/01/2025	738,689.14	2,610,000.00		3,348,689.14	57,435,000.00
8	02/01/2026	721,854.64	0.00		721,854.64	57,435,000.00
9	08/01/2026	721,854.64	2,650,000.00		3,371,854.64	54,785,000.00
10	02/01/2027	702,774.64	0.00		702,774.64	54,785,000.00
11	08/01/2027	702,774.64	2,685,000.00		3,387,774.64	52,100,000.00
12	02/01/2028	680,636.81	0.00		680,636.81	52,100,000.00
13	08/01/2028	680,636.81	2,725,000.00		3,405,636.81	49,375,000.00
14	02/01/2029	655,444.18	0.00		655,444.18	49,375,000.00
15	08/01/2029	655,444.18	2,775,000.00		3,430,444.18	46,600,000.00
16	02/01/2030	628,998.43	0.00		628,998.43	46,600,000.00
17	08/01/2030	628,998.43	2,825,000.00		3,453,998.43	43,775,000.00
18	02/01/2031	600,381.18	0.00		600,381.18	43,775,000.00
19	08/01/2031	600,381.18	2,880,000.00		3,480,381.18	40,895,000.00
20	02/01/2032	569,766.78	0.00		569,766.78	40,895,000.00
21	08/01/2032	569,766.78	2,945,000.00		3,514,766.78	37,950,000.00
22	02/01/2033	535,958.18	0.00		535,958.18	37,950,000.00
23	08/01/2033	535,958.18	3,005,000.00		3,540,958.18	34,945,000.00
24	02/01/2034	499,207.03	0.00		499,207.03	34,945,000.00
25	08/01/2034	499,207.03	3,085,000.00		3,584,207.03	31,860,000.00
26	02/01/2035	459,163.73	0.00		459,163.73	31,860,000.00
27	08/01/2035	459,163.73	3,165,000.00		3,624,163.73	28,695,000.00
28	02/01/2036	416,499.53	0.00		416,499.53	28,695,000.00
29	08/01/2036	416,499.53	3,250,000.00		3,666,499.53	25,445,000.00
30	02/01/2037	371,064.53	0.00		371,064.53	25,445,000.00
31	08/01/2037	371,064.53	3,340,000.00	C	3,711,064.53	22,105,000.00
32	02/01/2038	323,152.23	0.00		323,152.23	22,105,000.00
33	08/01/2038	323,152.23	3,435,000.00	C	3,758,152.23	18,670,000.00
34	02/01/2039	273,877.15	0.00		273,877.15	18,670,000.00
35	08/01/2039	273,877.15	3,530,000.00		3,803,877.15	15,140,000.00
36	02/01/2040	223,239.30	0.00		223,239.30	15,140,000.00
37	08/01/2040	223,239.30	3,625,000.00	C	3,848,239.30	11,515,000.00
38	02/01/2041	169,788.68	0.00		169,788.68	11,515,000.00

39	08/01/2041	169,788.68	3,730,000.00	C	3,899,788.68	7,785,000.00
40	02/01/2042	114,789.83	0.00		114,789.83	7,785,000.00
41	08/01/2042	114,789.83	3,835,000.00	C	3,949,789.83	3,950,000.00
42	02/01/2043	58,242.75	0.00		58,242.75	3,950,000.00
43	08/01/2043	58,242.75	3,950,000.00		4,008,242.75	0.00

DEBT SERVICE SCHEDULE

Issuer: ONTARIO WATER REV REF BDS SER 2021 **9643**

Pay#	Date	Interest	Principal	Total Payment	Balance
Total		21,466,107.95	67,550,000.00	89,016,107.95	

DEBT SERVICE SCHEDULE

CALIFORNIA OFFICE - LOS ANGELES

Issuer: ONTARIO PFA WATER REV BONDS SER 2024A					11347		
Pay#	Date	Interest	Principal			Total Payment	Balance
1	02/01/2025	976,777.79	0.00			976,777.79	43,955,000.00
2	08/01/2025	1,098,875.00	870,000.00			1,968,875.00	43,085,000.00
3	02/01/2026	1,077,125.00	0.00			1,077,125.00	43,085,000.00
4	08/01/2026	1,077,125.00	970,000.00			2,047,125.00	42,115,000.00
5	02/01/2027	1,052,875.00	0.00			1,052,875.00	42,115,000.00
6	08/01/2027	1,052,875.00	1,015,000.00			2,067,875.00	41,100,000.00
7	02/01/2028	1,027,500.00	0.00			1,027,500.00	41,100,000.00
8	08/01/2028	1,027,500.00	1,070,000.00			2,097,500.00	40,030,000.00
9	02/01/2029	1,000,750.00	0.00			1,000,750.00	40,030,000.00
10	08/01/2029	1,000,750.00	1,120,000.00			2,120,750.00	38,910,000.00
11	02/01/2030	972,750.00	0.00			972,750.00	38,910,000.00
12	08/01/2030	972,750.00	1,175,000.00			2,147,750.00	37,735,000.00
13	02/01/2031	943,375.00	0.00			943,375.00	37,735,000.00
14	08/01/2031	943,375.00	1,235,000.00			2,178,375.00	36,500,000.00
15	02/01/2032	912,500.00	0.00			912,500.00	36,500,000.00
16	08/01/2032	912,500.00	1,300,000.00			2,212,500.00	35,200,000.00
17	02/01/2033	880,000.00	0.00			880,000.00	35,200,000.00
18	08/01/2033	880,000.00	1,365,000.00			2,245,000.00	33,835,000.00
19	02/01/2034	845,875.00	0.00			845,875.00	33,835,000.00
20	08/01/2034	845,875.00	1,430,000.00			2,275,875.00	32,405,000.00
21	02/01/2035	810,125.00	0.00			810,125.00	32,405,000.00
22	08/01/2035	810,125.00	1,500,000.00			2,310,125.00	30,905,000.00
23	02/01/2036	772,625.00	0.00			772,625.00	30,905,000.00
24	08/01/2036	772,625.00	1,575,000.00			2,347,625.00	29,330,000.00
25	02/01/2037	733,250.00	0.00			733,250.00	29,330,000.00
26	08/01/2037	733,250.00	1,655,000.00			2,388,250.00	27,675,000.00
27	02/01/2038	691,875.00	0.00			691,875.00	27,675,000.00
28	08/01/2038	691,875.00	1,740,000.00			2,431,875.00	25,935,000.00
29	02/01/2039	648,375.00	0.00			648,375.00	25,935,000.00
30	08/01/2039	648,375.00	1,825,000.00			2,473,375.00	24,110,000.00
31	02/01/2040	602,750.00	0.00			602,750.00	24,110,000.00
32	08/01/2040	602,750.00	1,915,000.00			2,517,750.00	22,195,000.00
33	02/01/2041	554,875.00	0.00			554,875.00	22,195,000.00
34	08/01/2041	554,875.00	2,015,000.00			2,569,875.00	20,180,000.00
35	02/01/2042	504,500.00	0.00			504,500.00	20,180,000.00
36	08/01/2042	504,500.00	2,115,000.00			2,619,500.00	18,065,000.00
37	02/01/2043	451,625.00	0.00			451,625.00	18,065,000.00
38	08/01/2043	451,625.00	2,220,000.00			2,671,625.00	15,845,000.00
39	02/01/2044	396,125.00	0.00			396,125.00	15,845,000.00
40	08/01/2044	396,125.00	2,330,000.00			2,726,125.00	13,515,000.00
41	02/01/2045	337,875.00	0.00			337,875.00	13,515,000.00
42	08/01/2045	337,875.00	2,445,000.00	C		2,782,875.00	11,070,000.00
43	02/01/2046	276,750.00	0.00			276,750.00	11,070,000.00
44	08/01/2046	276,750.00	2,570,000.00	C		2,846,750.00	8,500,000.00
45	02/01/2047	212,500.00	0.00			212,500.00	8,500,000.00
46	08/01/2047	212,500.00	2,695,000.00	C		2,907,500.00	5,805,000.00
47	02/01/2048	145,125.00	0.00			145,125.00	5,805,000.00
48	08/01/2048	145,125.00	2,830,000.00	C		2,975,125.00	2,975,000.00
49	02/01/2049	74,375.00	0.00			74,375.00	2,975,000.00
50	08/01/2049	74,375.00	2,975,000.00			3,049,375.00	0.00

DEBT SERVICE SCHEDULE

CALIFORNIA OFFICE - LOS ANGELES

Issuer: ONTARIO PFA WATER REV BONDS SER 2024A				11347	
Pay#	Date	Interest	Principal	Total Payment	Balance
Total		33,926,652.79	43,955,000.00	77,881,652.79	

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Recreation & Community Services Prepared By: Lacey A Rightmer Staff Member Presenting: Helen McAlary, Executive Director Community Life and Culture Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 8

SUBJECT: AMENDMENT NO. 1 TO THE STADIUM OPERATING AND MANAGEMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND ASM GLOBAL STADIUM MANAGEMENT, LLC

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Stadium Operating and Management Agreement with ASM Global Stadium Management, LLC (ASM).

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

FISCAL IMPACT: The proposed Amendment No. 1 to the Stadium Operating and Management Agreement with ASM will increase the annual fixed compensation by $150,000, increasing the Agreement's annual base compensation to $390,000, before applicable annual adjustments. In addition, ASM will receive 5% of OSE's net Food & Beverage Revenue, with the remaining 95% returned to the City as General Fund Revenue. ASM Global will also receive 25% of net sponsorship revenue, with the remaining 75% retained by the City. If approved, additional appropriations will be included in a future quarterly budget update to the City Council for approval as needed.

BACKGROUND & ANALYSIS: The City of Ontario is developing the Ontario Sports Empire (OSE), a 199-acre sports complex located south of Riverside Drive and bordered by Chino Avenue, Vineyard Avenue, and the Cucamonga Creek Flood Channel. OSE will include a variety of multi-sport tournament fields and related facilities and is scheduled to open on October 24, 2026.

OSE is located immediately adjacent to ONT Field, a minor league baseball stadium that opened in April 2026. ONT Field is a separate and distinct facility, anchored on the 199-acre OSE site. The two facilities will operate under separate agreements and have different primary operators.

In July 2023, the City issued a Request for Qualifications (RFQ) seeking proposals from firms to provide services for OSE. The City received proposals from two firms, Sports Facilities Management (SFM) and ASM. Following the evaluation process, the City selected SFC as the primary operator of

OSE and subsequently entered into a Management Agreement with SFM. At that time, the City also selected ASM to provide supplemental services, including food and beverage operations.

Since ONT Field is used for events and activities outside of minor league baseball games, the City entered into a Stadium Operating and Management Agreement with ASM to operate and manage ONT Field during non-baseball events. ASM's agreement includes certain services during baseball games, including concessions, parking management, and coordination of traffic and security services. The agreement allows the City to expand ASM's concession services to the adjacent sports complex.

While SFM will remain the primary operator of OSE, Staff proposes Amendment No. 1 to expand ASM's existing scope of services to include certain activities at OSE. Under the proposed Amendment, ASM would provide:

- Food and beverage operations, including alcohol service, at City-approved concession stands and mobile concession areas;
- Security services required under the applicable Alcohol Beverage Control license; and
- Supplemental parking, traffic, and security services when requested by the City or SFM, as needed.

Expanding ASM's existing scope would allow the City and SFM to use a service provider that already operates at the adjacent ONT Field and is familiar with the City's expectations and event operations. It would also allow for greater coordination of services when events occur simultaneously or in close proximity.

The City also has prior experience working with ASM and its affiliated companies at other City facilities, including Toyota Arena and the Ontario Convention Center. Based on ASM's existing presence at ONT Field, familiarity with City operations, and experience providing the services needed to support OSE, Staff recommends that the City Council approve Amendment No. 1 to the Stadium Operating and Management Agreement.

FIRST AMENDMENT
TO
STADIUM OPERATING AND MANAGEMENT AGREEMENT
BETWEEN
THE CITY OF ONTARIO
AND
ASM GLOBAL STADIUM MANAGEMENT, LLC

This First Amendment to the Stadium Operating and Management Agreement ("First Amendment") is made and entered into as of [____], 2026 ("Effective Date"), by and between the City of Ontario (a California municipal corporation, with its principal place of business at 303 East B Street, Ontario, California 91764) ("City") and ASM Global Stadium Management, LLC (a Delaware limited liability company with its principal place of business at 300 Conshohocken State Road, Suite 770, West Conshohocken, Pennsylvania 19428) ("Manager"). City and Manager are sometimes referred to herein individually as a "Party" and collectively as "Parties".

RECITALS

A. The Parties entered into a Stadium Operating and Management Agreement effective July 23, 2025 ("Agreement"), pursuant to which Manager was retained to operate, manage, market, and supervise the City's professional baseball stadium currently known as ONT Field; and

B. The City separately entered into a Sports Complex Facility Operating and Management Agreement with Sports Facilities Management, LLC ("SFM") for the operation and management of the adjacent Ontario Sports Empire ("OSE"); and

C. The City and Rancho Baseball, LLC entered into a Stadium Venue Agreement dated October 10, 2024 ("DBH Agreement") governing the professional baseball team's use and operation of ONT Field, and the DBH Agreement was assigned to DBH Rancho Cucamonga, LLC ("DBH") effective January 10, 2025; and

D. The City desires to authorize Manager to provide limited supplemental services at the OSE including food and beverage and alcoholic beverage operations, housekeeping and custodial services for concession and food-and-beverage service areas, pest control for such areas, twenty-four (24) hour monitoring and security patrol, specified security services, sponsorship, marketing and digital-display services, and other supplemental services when specifically authorized by the City; and

E. The Parties desire to amend the Agreement while preserving SFM as the OSE operator, the City's rights and obligations under the DBH Agreement and other existing contracts, and the remaining terms of the Agreement except as expressly modified herein.

NOW, THEREFORE, the Parties mutually agree as follows:

AGREEMENT

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

2. Amendment. The Agreement is hereby amended as set forth in Exhibit A (Amendments to Stadium Operating and Management Agreement), Exhibit B (Schedule I - Matrix of Responsibilities at Ontario Sports Empire), and Exhibit C (Schedule II - Licensed Premises and Service Area Map); all of which are attached hereto and incorporated herein by reference. The Exhibits identify the limited supplemental OSE services authorized by this First Amendment and the terms governing those services.

3. Compensation. Compensation under this First Amendment shall include: (a) an annual management fee of one hundred fifty thousand dollars ($150,000); (b) a food and beverage incentive equal to five percent (5%) of Net Food and Beverage Operating Income generated exclusively from operations at the adjacent Sports Complex; and (c) a sponsorship commission equal to twenty-five percent (25%) of Net Sponsorship Revenue as defined in Exhibit A actually collected from qualifying sponsorship agreements directly originated, secured, renewed, or expanded by Manager for the adjacent Sports Complex. For the avoidance of doubt, any Net Operating Income ("NOI") or other NOI-based compensation payable to Manager for ONT Field under the Agreement shall not apply to or be calculated from OSE operations under this First Amendment. Supplemental services outside the base scope shall be compensated only pursuant to the written authorization process in accordance with the Exhibit A, and no compensation shall be due for unauthorized services or charges. Manager shall not be entitled to duplicate compensation for the same service, revenue, or expense under the Agreement, this First Amendment, or any Exhibit or written authorization.

4. Order of Precedence. In the event of a conflict between this First Amendment (including the Exhibits) and the Agreement, this First Amendment shall control solely with respect to the matters expressly addressed herein. In the event of a conflict between Exhibit A and any Schedule, Exhibit A shall control. No Exhibit shall expand Manager's authority beyond the Authorized OSE Services expressly provided in Exhibit A. In all other respects, the Agreement shall control. For clarity, no Exhibit or written authorization may amend the Agreement or expand Manager's authority except as expressly permitted by this First Amendment.

5. Continuing Effect of Agreement. Except as amended by this First Amendment, all provisions of the Agreement shall remain in full force and effect; and shall govern the actions of the Parties under this First Amendment. Whenever the term "Agreement" appears in the original Agreement from and after the date of this First Amendment, it shall mean the Agreement as amended.

6. Electronic Transmission. A manually signed copy of this First Amendment transmitted by facsimile, electronic mail, or other electronic means shall have the same legal effect as delivery of an original. This First Amendment may be signed using electronic signatures.

7. Counterparts. This First Amendment may be signed in counterparts, each of which shall constitute an original and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the Parties have executed this First Amendment on the Effective Date.

CITY OF ONTARIO	**ASM GLOBAL STADIUM MANAGEMENT, LLC**
Approved By:	
_____	_____
Scott Ochoa City Manager	[_____] [_____]
Attested By:	
_____	
Sheila Maut City Clerk	
Approved as to Form:	
_____	
City Attorney Best Best & Krieger LLP	

EXHIBIT A

AMENDMENTS TO STADIUM OPERATING AND MANAGEMENT AGREEMENT

The Stadium Operating and Management Agreement ("Agreement") between the City of Ontario ("City") and ASM Global Stadium Management, LLC ("Manager") is amended to add the following provisions governing Manager's limited supplemental services at the Ontario Sports Empire ("OSE"), to include coordination with Sports Facility Management, LLC ("SFM"):

1. Authorized OSE Services. Manager shall provide the following base services at the OSE and may provide the supplemental services described below (collectively, "Authorized OSE Services"):

a. Food and beverage operations, including alcohol service, at the fixed concession locations identified in Schedule II and at other temporary or mobile service points within the OSE (as long as proper coordination with SFM occurs) permitted under Manager's applicable ABC license(s), health permit(s), and other regulatory approvals.

b. Housekeeping and custodial services for concession stands, snack bars, service corridors, and other food-and-beverage service areas (together with pest control for those areas) as further provided in Section 4 below. SFM remains responsible for fields, parking areas and structures, landscaping, and pest control outside Manager's food-and-beverage service areas.

c. Continuous twenty-four (24) hour property security monitoring and patrol of the OSE complex (including parking areas and parking structures/flat lots) in accordance with a City-approved security post order or staffing plan, including security required by applicable law or the terms and conditions of Manager's California Department of Alcoholic Beverage Control ("ABC") license(s) as provided in this Exhibit A and Schedule I.

d. Sponsorship, marketing, and digital-display services for the adjacent Sports Complex within City-approved sponsorship guidelines, rate parameters, forms, and delegated authority; and the limitations of this Exhibit A and the City's existing agreements. Manager may negotiate and secure sponsorships within such approved parameters without separate transaction-by-transaction approval; any material deviation from those parameters or any agreement requiring the City's signature or otherwise binding the City requires prior written City approval.

e. Parking or traffic-support assistance requested by SFM under Section 2(c), security, special-event, production, or other services specifically requested and approved in writing in accordance with Section 6 below.

f. Manager shall not perform any other OSE management or commercial services unless separately authorized by a written amendment approved by the City. Property-security monitoring and patrol under subsection (c) does not include

gate or bag-check security, ticketing, guest services, event-specific security, or other daily operations security assigned to SFM unless separately authorized through a written authorization under Section 6. SFM shall identify event-specific or additional security needs in the first instance. Manager shall provide such additional staffing only through the authorization process in Section 6, and any outside security provider engaged by Manager remains subject to applicable City approval and procurement requirements.

g. Manager shall maintain reasonable security and incident records and promptly notify the City and SFM of material incidents affecting public safety, OSE operations, or ABC compliance.

h. Sponsorship, marketing, and digital-display services under subsection (d) do not grant Manager any new exclusivity or naming rights. Manager may act within the City-approved sponsorship parameters described in subsection (d), but may not bind the City outside those parameters or execute an agreement requiring City execution without prior written City approval. Manager shall provide City a sponsorship report on a quarterly basis.

i. Schedules I and II supplement the Authorized OSE Services by allocating responsibilities and identifying service areas, but do not independently expand Manager's authority beyond this Exhibit A.

2. Sports Facilities Management, LLC ("SFM"). SFM remains the City's operator of the OSE. Manager's role is supplemental and limited to the Authorized OSE Services. Schedule I allocates coordination responsibilities between Manager and SFM; however, the "Lead", "Support", and "Joint" designations do not independently grant Manager authority, exclusivity, or compensation beyond the Agreement and this Exhibit A.

a. SFM Coordination. Manager shall coordinate with the City and SFM and shall not direct SFM or assume general OSE operating authority. Nothing herein prohibits the City from authorizing food trucks, culturally specific food vendors, event-specific food providers, or other outside food-and-beverage providers from time to time. All such vendors shall coordinate through Manager before operating at the OSE. Manager shall serve as the liaison for such vendors to ensure compliance with applicable health permits, insurance requirements, liquor licensing requirements, and other applicable laws and regulations.

b. Health Permit and ABC License. Where Manager's health permit or ABC license legally requires oversight of an outside food or beverage vendor, such vendor shall be coordinated through Manager to the extent required by law, permit, or license condition; otherwise, Manager shall not obtain broader management authority over the outside vendor absent separate City authorization.

c. Parking. SFM shall serve as the lead for parking and traffic coordination at the OSE. SFM may request Manager's assistance with parking or traffic operations when operationally necessary. Manager shall reasonably cooperate with such

requests; but shall not be obligated to provide assistance if Manager reasonably determines that it lacks sufficient personnel, equipment, or other resources to do so without adversely affecting its other contractual obligations. Any compensable assistance provided by Manager shall remain subject to the written authorization requirements of Section 6.

d. Personnel Training. Manager shall be the lead for and solely responsible for the training and performance management of Manager's personnel. SFM shall be the lead for and responsible for the training and performance management of SFM's personnel under its separate agreement with the City. Neither Manager nor SFM shall have supervisory authority over the other's personnel solely by virtue of the coordination requirements of this Exhibit A.

3. Food and Beverage; Alcohol Operations; Pricing. Manager shall have only the operational authority reasonably necessary to perform the Authorized OSE Services and comply with applicable food-service laws and its ABC license(s) including responsible-beverage-service, staffing, monitoring, and service requirements.

a. The City shall approve an initial menu, alcohol-price, and service-charge schedule. Thereafter, material pricing changes shall be submitted to the City for prior written approval, while event-specific or temporary pricing within City-approved parameters may be implemented without separate approval. The City shall process pricing requests reasonably and promptly so as not to unreasonably interfere with operations.

b. Pricing shall be commercially reasonable, customer-oriented, and consistent with comparable public sports facilities. The Food and Beverage Incentive and Sponsorship Commission expressly authorized in Section 5 below shall not limit the City's pricing-approval authority or be structured or administered to reward higher consumer prices without corresponding performance or customer-service benchmarks. No other incentive compensation applies unless separately approved by written amendment.

4. Concession Facilities; Cleaning, Maintenance, and Repairs. Manager shall provide housekeeping and custodial services for the concession stands, snack bars, service corridors, and other areas used for Manager's food and beverage operations in a clean, sanitary, safe, and operational condition.

a. Manager's responsibilities include routine cleaning; timely collection and lawful disposal of trash and waste; pest control for those food-and-beverage service areas; and routine upkeep of Manager-operated concession equipment and fixtures.

b. Manager shall maintain reasonable maintenance and service records and promptly notify the City and SFM of any condition reasonably requiring maintenance, repair, engineering, structural, capital, landscaping, parking-area, or major building-system work outside Manager's expressly assigned responsibilities.

c. Unless expressly included within the Authorized OSE Services under this Exhibit A or authorized through a written authorization under Section 6, Manager is

not responsible for structural repairs, roof or building-envelope work, base-building utility infrastructure, capital improvements, replacement of major building systems, landscaping, fields, parking areas or structures, or pest control outside Manager's food-and-beverage service areas (except to the extent repair is required because of damage caused by Manager or its personnel, contractors, or invitees).

d. Manager shall take reasonable interim measures within its control to protect health, safety, and property pending City direction; and shall not undertake structural alterations, capital improvements, or replacement of major building systems without the City's prior written approval.

e. Facility Maintenance Allocation. For coordination purposes, Manager shall be the lead for facility maintenance matters within Manager's assigned food-and-beverage and concession areas (and with respect to Manager-operated equipment and fixtures). SFM shall be the lead for facility maintenance matters within SFM's assigned areas including fields, common areas, parking areas and structures, landscaping, and other areas outside Manager's assigned food-and-beverage and concession areas (subject to the City's separate agreement with SFM). Manager shall coordinate with the City and SFM when a maintenance condition affects or crosses their respective areas of responsibility.

5. Compensation. For purposes of this Section 5, "Sports Complex" means the OSE, excluding ONT Field, and only those OSE areas in which Manager is authorized to perform Authorized OSE Services under this Exhibit A.

a. Annual Management Fee. The City shall pay Manager an annual management fee of one hundred fifty thousand dollars ($150,000) for the base Authorized OSE Services under this Exhibit A, subject to the invoicing and payment provisions of the Agreement. The annual management fee constitutes full compensation for the base services including food and beverage services; housekeeping, custodial services, and pest control within Manager's food-and-beverage service areas; continuous twenty-four (24) hour property security monitoring and patrol of the OSE complex in accordance with the City-approved security post order or staffing plan; and the sponsorship, marketing, and digital-display services authorized under this Exhibit A. The annual management fee includes the labor, supervision, management, and administrative costs necessary to perform those services; and Manager shall not separately invoice the City or SFM for services included in the annual management fee.

b. Food and Beverage Incentive. Manager shall receive an incentive equal to five percent (5%) of Net Food and Beverage Operating Income generated exclusively from operations at the Sports Complex. "Net Food and Beverage Operating Income" means gross food and beverage revenues actually received from Sports Complex operations less direct operating expenses attributable solely to those operations. Revenues and expenses attributable to ONT Field shall be excluded, and no Stadium revenue, expense, or Net Operating Income shall be allocated to the Sports Complex for purposes of calculating this incentive.

c. Sponsorship Commission. Manager shall receive a commission equal to twenty-five percent (25%) of Net Sponsorship Revenue actually collected from qualifying sponsorship agreements directly originated, secured, renewed, or expanded by Manager for the Sports Complex. “Net Sponsorship Revenue” means: (1) cash sponsorship revenue actually collected under new sponsorship agreements directly originated and secured by Manager for the Sports Complex; and (2) the incremental cash revenue actually collected from a renewal, extension, or expansion of an existing sponsorship to the extent Manager directly originates and secures additional rights or value specifically attributable to the Sports Complex; in each case less refunds, credits, chargebacks, taxes collected for remittance, and third-party pass-through costs that are either within categories or budgets previously approved by the City or otherwise specifically approved in writing by the City. The commission does not apply to sponsorship revenue attributable to ONT Field or to the pre-existing base value of sponsorship agreements in effect before the Effective Date. Manager’s authority to negotiate and secure sponsorships is subject to Section 1(d) and (h).

d. No ONT Field Net Operating Income (“NOI”) Compensation. Any NOI or other NOI-based compensation payable to Manager for ONT Field under the Agreement shall not apply to, be calculated from, or include Sports Complex operations under this First Amendment.

e. Supplemental Services. Services outside the base Authorized OSE Services shall be compensated only pursuant to an approved written authorization under Section 6. No compensation is due for unauthorized services or charges. The Annual Management Fee compensates Manager for the base service obligations identified in this Exhibit A, while the Food and Beverage Incentive and Sponsorship Commission are separate performance-based compensation expressly authorized by this First Amendment. Except for those expressly authorized forms of compensation, no cost, expense, revenue, service, or other amount may be counted, allocated, billed, or recovered more than once under the Annual Management Fee, Food and Beverage Incentive, Sponsorship Commission, any supplemental written authorization, or the compensation provisions applicable to ONT Field.

f. Reporting and Reconciliation. Manager shall provide the City with reasonable calculations and supporting documentation for the Food and Beverage Incentive and Sponsorship Commission. Such amounts are subject to the recordkeeping, reconciliation, and audit requirements of the Agreement and Section 7 below before final payment or reconciliation. Direct operating expenses used to calculate Net Food and Beverage Operating Income must be reasonable, documented, and directly attributable to Sports Complex food and beverage operations; allocated corporate overhead, ONT Field costs, and amounts already recovered through the Annual Management Fee or a supplemental written authorization shall be excluded unless expressly approved in writing by the City. Any later refund, credit, chargeback, or other adjustment affecting a previously paid Food and Beverage Incentive or Sponsorship Commission shall be reflected in the next reconciliation, and any resulting overpayment shall be credited or refunded to the City.

6. Supplemental Services; Work Authorization and Billing. The City or SFM (as the OSE operator) may request supplemental services outside the base Authorized OSE Services including additional security, parking or traffic-support assistance requested under Section 2(c), special-event, or production services. Manager shall not perform or charge for any supplemental service without advance written authorization under the process set forth below.

a. Each written authorization shall identify the scope, schedule, estimated staffing, applicable rates, responsible payor, and a not-to-exceed amount. The City may approve standing rate schedules and short-form authorization procedures for recurring supplemental services. If SFM is the responsible payor, SFM may authorize services within the approved rate schedule and its contractual authority, with prompt notice to the City. If the City is the responsible payor, the authorization is effective only when approved by a City representative authorized to approve the applicable expenditure. Oral requests, field directions, or course of dealing do not authorize additional compensation. Manager shall not exceed a written authorization's not-to-exceed amount or materially change its scope, staffing, schedule, or rates without prior written approval by the party authorized to approve the applicable expenditure.

b. Any material change to an approved written authorization requires further written City approval, and the City is not responsible for unauthorized charges. If an immediate response is reasonably necessary to protect life, safety, property, or regulatory compliance, Manager may take only the minimum action reasonably necessary and shall notify the City as soon as practicable; any continuing or additional billable work remains subject to written authorization under this Section.

7. Revenue Accounting and Reconciliation. Manager shall maintain complete and auditable records of OSE revenues and expenses arising from the Authorized OSE Services. Manager may use its existing cashless operating procedures, generally accepted accounting principles, and City-approved standard operating procedures used at other City facilities; provided those procedures permit the City to verify revenues, expenses, and compensation under this First Amendment. All City revenues collected by Manager remain City property and shall be accounted for separately from Stadium revenues unless the City approves another method in writing.

8. Customer Experience Standards. Manager shall perform the Authorized OSE Services in accordance with first-class venue standards and City-approved customer-experience requirements including reasonable standards for service quality, wait times, cleanliness, food quality, responsible alcohol service, staffing, complaint response, accessibility, and coordination with the City and SFM. The City may establish or revise reasonable customer-experience guidelines applicable to the OSE; provided that any revision materially increasing Manager's scope or cost shall require the Parties' written agreement or an approved written authorization as applicable.

9. Security Cameras; City Network and Information Technology ("IT") Requirements. Any Manager-installed or Manager-operated security cameras, access-control or recording systems, or other technology connected to City-owned infrastructure

or networks shall comply with applicable City cybersecurity, access-control, retention, and incident-response requirements. Manager's existing point-of-sale platform and existing video/data-retention practices are deemed approved for OSE use to the extent they are already approved by the City and materially unchanged. Any new system, material change, or new connection to City-owned infrastructure or networks requires prior written City IT approval. Ownership, access, evidence preservation, disclosure, and public-records support for security-camera footage and related data shall remain subject to applicable City requirements.

10. Existing Agreements. Nothing in this First Amendment is intended to amend, reinterpret, or impair the Stadium Venue Agreement with DBH Rancho Cucamonga, LLC or the City's agreement with SFM. The City shall direct Manager's Authorized OSE Services in a manner consistent with those agreements, and Manager shall reasonably cooperate with the City and SFM to avoid operational conflicts. No provision shall grant Manager rights that the City does not possess under an applicable pre-existing agreement, and nothing in this Exhibit A or the Schedules shall expand or diminish the contractual rights of DBH or SFM. Any conflict among the Agreement, the First Amendment, this Exhibit A, and the Schedules shall be governed by the order-of-precedence provision in the First Amendment.

11. Future Facilities and Commercial Rights. Manager has no automatic right, exclusivity, right of first negotiation, preferred-provider right, or other entitlement with respect to future OSE facilities or other City sports, entertainment, recreation, convention, hospitality, or event facilities unless expressly granted in a subsequent written agreement approved by the City. Future facilities and future revenue streams are excluded from this First Amendment. Any future systems will be covered under a different agreement.

12. City Remedies. In addition to remedies available under the Agreement, the City may: (a) require corrective action, suspend or reduce an Authorized OSE Service; (b) reject unauthorized charges; (c) withhold approval of proposed pricing or supplemental work; or (d) discontinue Manager's OSE services for repeated material failure to meet applicable service, safety, licensing, technology, maintenance, or customer-experience requirements subject to applicable notice and cure provisions in the Agreement. The City may immediately suspend an Authorized OSE Service to the extent reasonably necessary to address an imminent health, safety, licensing, cybersecurity, or regulatory risk, subject to prompt notice to Manager. Nothing herein expands Manager's right to injunctive relief or creates damages based on lost future facilities, future commercial rights, or unapproved exclusivity.

13. Authorized Service Areas. Schedule II identifies existing fixed concession locations and the overall OSE footprint. Manager may provide temporary or mobile food-and-beverage service elsewhere within the OSE only when authorized by the City and permitted by Manager's applicable ABC license(s), County health permit(s), and other regulatory approvals. Schedule II does not substitute for an ABC-approved premises diagram, health permit, or other regulatory authorization, and no such diagram or permit expands Manager's contractual authority beyond the Authorized OSE Services. To the extent of any inconsistency concerning the boundaries of licensed alcoholic-beverage

operations, the applicable ABC-approved premises diagram or authorization controls for regulatory purposes.

14. Schedules. Schedule I (Matrix of Responsibilities at Ontario Sports Empire) and Schedule II (Licensed Premises and Service Area Map) are incorporated into this Exhibit A. Schedule I allocates responsibilities for coordination purposes and shall be read consistently with Sections 1 and 2 above; Schedule II identifies the OSE footprint and existing fixed concession locations, and shall be read consistently with Section 13.

a. If a Schedule conflicts with this Exhibit A, this Exhibit A controls. Schedule I or Schedule II may be revised only by a written amendment executed by authorized representatives of both Parties; provided that individual supplemental services may be authorized through a written authorization process as expressly permitted by Section 6.

b. Any Schedule I designation concerning parking or traffic coordination, facility maintenance, or personnel training and performance management shall be interpreted consistently with Sections 2(c), 2(d), and 4(e) of this Exhibit A.

c. For the avoidance of doubt, former Schedule III (Scope and Compensation for OSE Services) is not separately attached or operative; its substantive scope, compensation, invoicing, and supplemental written authorization terms are incorporated into this Exhibit A.

SCHEDULE I
Matrix of Responsibilities at Ontario Sports Empire

This exhibit summarizes the proposed allocation of key workstreams between ASM Global Stadium Management, LLC ("ASM") and Sports Facilities Management, LLC ("SFM").

Responsibility key: Lead = primary responsibility | **Support** = supporting responsibility

Work	ASM	SFM
Property Security - 24/7 monitoring/patrol of the OSE, including parking areas/structures, per City-approved security plan	Lead	N/A
Daily Operations Security - Gate, bag check, ticketing, etc.; SFM lead; ASM only if separately scheduled/authorized	Support	Lead
Housekeeping/custodial services and pest control (F&B/concession areas)	Lead	N/A
Digital marketing and sponsorship (SFM support only if operationally needed)	Lead	N/A
Sales and business development	Support	Lead
Event booking and scheduling	Support	Lead
Event planning and execution	Support	Lead
Ticketing and box office operations	N/A	Lead
Guest services and accessibility	Support	Lead
Parking/traffic coordination - SFM lead; ASM may assist on request if resources are available	Support	Lead
Food and beverage coordination	Lead	N/A
Facility maintenance/engineering - each party lead for its own facilities/areas	Lead	Lead
Capital Improvement Projects ("CIP") - each party lead for its own facilities/areas	Lead	Lead
Brand standards and public relations	Support	Lead
Community and stakeholder relations	Support	Lead
Emergency preparedness and response - each party lead for its own facilities/areas	Lead	Lead
Insurance risk and regulatory compliance - each party lead for its own facilities/areas	Lead	Lead
Annual budgeting and financial reporting - each party lead for its own facilities/areas	Lead	Lead
Vendor (Various) procurement and contract oversight - each party lead for its own facilities/areas	Lead	Lead
Staff training/performance - each party lead for its own personnel	Lead	Lead
Technology systems and data reporting - each party lead for its own facilities/areas	Lead	Lead

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Economic Development Prepared By: Karla Tavera Department: Prepared By: Karla Tavera Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 9

SUBJECT: A PROFESSIONAL SERVICE AGREEMENT FOR FILMING AND VIDEO PRODUCTION SERVICES WITH WINDSONG PRODUCTIONS, LLC.

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager, or his designee, to execute a Professional Services Agreement with Windsong Productions, LLC for filming and video production services for a three-year term, with the option to extend for two additional one-year terms, in the amount of $922,745, plus a $25,000 contingency, for a combined total not to exceed $947,745.
B. Reject the bid protest from Eleanor, LLC for RFP No. 2009- Filming and Video Production Services as without merit.

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

FISCAL IMPACT: The recommended agreement with Windsong Productions, LLC is in the amount of $922,745, plus a $25,000 contingency, for a combined total not-to-exceed $947,745, over a three-year term with two options to extend. The annual costs are $292,706 for Fiscal Year 2026-27, $307,331 for Fiscal Year 2027-28, and $322,708 for Fiscal Year 2028-29. The Fiscal year 2026-27 adopted Budget includes appropriations in the General Fund for Advertising and Other Professional Services.

BACKGROUND & ANALYSIS: The Economic Development Agency is responsible for the City's business attraction and retention efforts. As part of these efforts, Economic Development works collaboratively with Communications & Community Relations on various marketing initiatives, including the production of videos that showcase Ontario's business community and highlight the quality of life within the City.

In August 2026, the City solicited proposals for filming and video production services (RFP No. 2009). A total of 15 proposals were received through the City's electronic bid management system, listed below:

- Bellamani Photography, LLC.,
- Dynamic Video Communications, LLC.
- Eleanor, LLC.
- Filmtwist Productions, LLC.
- Lab Rat Productions, LLC.
- MDG Productions, Inc.
- Media Avenue Studios
- Mosaic Pictures, Inc.
- New Take Films USA, LLC.
- NW Collective
- Pegasus Studios
- Sebaz Video Productions, Inc.
- The Delegate, Inc.
- Woldwise Productions, LLC
- Windsong Productions, LLC.

After thorough review of the proposals submitted, consideration was given to the overall proposal, experience of their staff and portfolio of previous work among other things. Windsong Production was the top ranked firm across all criteria. The Windsong Production team demonstrated creativity, a strong understanding of the City of Ontario and brand itself, and an ability to deliver on a variety of products on time and on budget.

After posting the Notice of Intent to Award as required by our Purchasing Policy, Eleanor, LLC. submitted a bid protest. Following the review of the protest, Staff determined that none of the points presented in the protest indicate noncompliance on the City's behalf.

Based on their qualifications, staff is recommending that the City enter into a Professional Services Agreement with Windsong Productions.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764 (909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

DEBRA PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
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 **Windsong Productions, LLC**, a **corporation** with its principal place of business at **351 O Street, Fresno, CA 93721** ("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 **filming and video production** 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 **filming and video production services** 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 **filming and video production** 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 **October 6, 2026** to **October 6, 2029**,

unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than two additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Compensation.

3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A" attached hereto and incorporated herein by reference. The total compensation shall not exceed **nine hundred twenty-two thousand seven hundred forty-five dollars ($922,745**) 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 "A" 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 "A" 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: **Joann Mercado Hicks, Production Manager and Amber Cruz, Sr. Economic Development Coordinator.**

3.3.5 City's Representative. The City hereby designates **Amber Cruz, Sr. Economic Development Coordinator**, 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 **Joann Mercado Hicks, Production Manager**, or his/her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

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

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

3.3.9 Period of Performance.

3.3.9.1 Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Performance Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

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

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

3.3.10 Laws and Regulations; Employee/Labor Certification.

3.3.10.1 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the City to terminate the Agreement for cause.

3.3.10.2 Employment Eligibility; Consultant. Consultant certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Consultant certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

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

3.3.10.4 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the South Coast Air Quality Management District (SCAQMD) and/or California Air Resources Board (CARB). Consultant shall indemnify City against any fines or penalties imposed by SCAQMD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its subconsultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

3.3.10.5 Water Quality Management and Compliance. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251, *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq*.); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant must additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges. City may seek damages from Consultant for delay in completing the Services caused by Consultant's failure to comply with the laws, regulations and policies described in this Section, or any other relevant water quality law, regulation, or policy.

3.3.10.6 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.3.11 Insurance.

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

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

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

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than $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:	Windsong Productions, LLC 351 O Street Fresno, CA 93721 ATTN: Joann Mercado Hicks, Production Manager
City:	City of Ontario 303 East "B" Street Ontario, CA 91764 ATTN: Amber Cruz, Sr. Economic Development Coordinator

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

3.7.4 Ownership of Materials and Confidentiality.

3.7.4.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of City, and shall not be used in whole or in substantial part by Consultant on other projects without the City's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to City reproducible copies of all Documents & Data, in a form and amount required by City. City reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by City at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to City upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to City any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to City upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify City and provide City with the opportunity to obtain the documents.

3.7.4.2 Subconsultants. Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by the City.

3.7.4.3 Right to Use. City shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at City's sole risk. If City uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to the City upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

3.7.4.4 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.7.4.5 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents

& Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.7.4.6 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the release notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of an objection notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

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

3.7.6 Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.7.7 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

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

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

3.7.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

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

3.7.12 Assignment or Transfer. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Consultant shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

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

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

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

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

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

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

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

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

3.7.21 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

SIGNATURES ON NEXT PAGE

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

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

WINDSONG PRODUCTIONS, LLC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

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

EXHIBIT "A"
SCOPE OF SERVICES

See Scope Attached

ESTIMATE

Windsong Productions
351 O Street
Fresno, CA 93721

TEL. 559.437.3900

City of Ontario

United States

Date: 2026-08-11
Title: **Made in Ontario: Series 2026-2027** Estimate #: **12452**
Prepared By: Joann Mercado Hicks

Project Description: Estimate includes (5) x filming days to complete a shot list, B-ROLL and interviews with organizations & businesses selected by the City of Ontario. Estimate includes the edit of (10) x up to :90 seconds videos + (10) x Social Media exports in 9x16 that educate the public on local businesses and organizations in the City of Ontario and all projected expenses for a quality production. Additional videos and filming days to be estimated separately.

Scope of Work	Cost
Video Production	**$103,162.13**

Internal Services

Pre Production
pre-production

Copywriting/Transcribing
transcribing of (10) interviews and scriptwriting of (10) x :90 seconds videos

Director
Director to oversee shoot and edit

Producer
Producer, on set and to oversee pre/post production

Production Assistant
production assistant; on-set and prep

Audio Production
audio syncing, studio time and audio mix

Editing
editing of (10) x :90 seconds videos and (10) x social media exports. Includes footage import, edit, color correction, rendering, exporting and proof uploading. Includes up to (2) rounds of client revisions per spot.

Assistant Editing
assistant editor to cull through the footage, catalog and assemble editing timeline

External Expenses

Director of Photography
(1) director of photography with camera package; (5) filming days

B Camera Operator
(1) b camera operator with camera package; (5) filming days

G&E Swing
(2) x G&E swing; (5) filming days

Music
royalty-free music tracks

Hair + Make Up

ESTIMATE

Windsong Productions
351 O Street
Fresno, CA 93721

TEL. 559.437.3900

Date: 2026-08-11

Title: **Made in Ontario: Series 2026-2027** Estimate #: **12452**

(5) Days of filming w/ HMU + kit

Per Diem

per diem for crew; (5) filming days

Production Management **$4,180.00**

Internal Services

Client Communication

no charge

Internal Meeting/Communication

Production Management

scheduling, crew communication pre- and post-shoot

Internal Expenses

Project Archive & Storage

ingest footage and meta-tag, make back-ups, compress footage with timecode for transcribing; upkeep of ONT footage library

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Total $107,342.13

Terms & Conditions

signature printed name date

Approved to proceed and have read and agree with terms and conditions.

signature printed name date

ESTIMATE

Windsong Productions
351 O Street
Fresno, CA 93721

TEL. 559.437.3900

City of Ontario

United States

Date: 2026-08-11
Title: **Ontario: 2027 State of the City Video Production PKG** Estimate #: **12451**
Prepared By: Joann Mercado Hicks

Project Description: Estimate includes (6) total days of filming on-location in Ontario, California. Filming will include Council interviews and b-roll/concept filming for the Ontario State of the City video package. Estimate includes the edit of videos for SOTC 2027 event. Additional videos and filming days to be estimated separately.

Deliverables include:
(1) x up to 20 minutes SOTC Video featuring Council
(1) up to 2 minutes opening video
(1) up to 3 minutes closing video
(4) x :15 seconds SOTC event teaser videos for social.
Voice of God audio files for day of event use
Directional arrows and "screen saver" loop for event day

Scope of Work	Cost

Video Production
State of the City Video PKG 2027
Internal Services
Pre Production
pre-production
Transcribing & Scriptwriting
transcribing of interviews and scriptwriting
Director
director to oversee shoot and edit; (6) days of filming and post-production
Producer
producer to oversee pre/post production
Associate Producer
associate producer to assist in the pre/post production of SOC 2027
Production Assistant
PA; prep and on-location for SOC 2027
Editing
editing of:
(1) x up to 20 minutes SOTC Video featuring Council, (1) up to 2 minutes opening video, (1) up to 3 minutes closing video, and (4) x :15 seconds SOTC teaser videos for social.

Includes footage import, edit, animation, rendering, exporting and proof uploading.
Includes up to (2) round of client revisions per spot.

ESTIMATE
Windsong Productions
351 O Street
Fresno, CA 93721

TEL. 559.437.3900

Date: 2026-08-11
Title: **Ontario: 2027 State of the City Video Production PKG** Estimate #: **12451**

Audio Production
audio syncing, studio time and audio mix
Animation
creation and design of SOC 2027 gfx; for videos only
** Includes directional arrows and "screen saver" style event video
Color Grading
color correction of final SOC videos.
Assistant Editing
assistant editor to cull through the footage, catalog and assemble editing timeline
Audio Engineer
on set audio engineer; (6) days

External Expenses

Director of Photography
(1) camera operator with camera package; (6) days of filming + create look/feel w/ director
B Camera Operator
(1) b camera operator with camera package; (6) days of filming
Grip
(2) x grip/gaffer; (6) days + grip truck rentals
Other
Additional crew for filming days for interviews and SOC March 2027 event
Music
(12) royalty free music track
Audio/ VO
non-union VO talent; in perpetuity, full-usage buyout for SOC videos, includes VOG recordsings
Photographer
Photographer for SOC March 2027 event; includes full usage buyout of up to (100) finished images

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Production Management

Internal Services

Client Communication
no charge
Internal Meeting/Communication
Production Management
scheduling, crew communication pre- and post-shoot

Internal Expenses

Project Archive & Storage
ingest footage and meta-tag, make back-ups, compress footage with timecode for transcribing

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Video Production - Event Filming Day
Sponsorship

Internal Services

ESTIMATE

Windsong Productions
351 O Street
Fresno, CA 93721

TEL. 559.437.3900

Date: 2026-08-11

Title: **Ontario: 2027 State of the City Video Production PKG** Estimate #: **12451**

Pre Production
pre-production for event filming

Director
pre-production and oversight + (1) filming day for SOTC 2027 Event, March 2027

Producer
(1) filming day for SOTC 2027 Event, March 2027

Associate Producer
(1) filming day for SOTC 2027 Event, March 2027

Production Assistant
(1) filming day for SOTC 2027 Event, March 2027

Audio Production
(1) filming day for SOTC 2027 Event, March 2027

Editing
Editing of (1) x up to 90 seconds SOTC Event Highlight Video. Includes up to (2) rounds of revisions, color, gfx pkg and final export for web/tv.

External Expenses

Music
(2) royalty-free music tracks for SOTC Highlight video

Cinematographer
(3) Camera operators for (1) filming day for SOTC 2027 Event, March 2027

Grip
(1) x Grip; (1) filming day for SOTC 2027 Event, March 2027

Sponsorship: State of the City 2027

Internal Services

Sponsorship
Sponsorship: State of the City 2027; [$25,500}

Total $163,888.50

Terms & Conditions

signature printed name date

Approved to proceed and have read and agree with terms and conditions.

signature printed name date

ESTIMATE

Windsong Productions
351 O Street
Fresno, CA 93721

TEL. 559.437.3900

Dan Bell, Communications & Community Relations Director
City of Ontario

United States

Date: 2026-08-11
Title: **ONT: Event Filming & Photography Production PKG** Estimate #: **12455**
Prepared By: Joann Mercado Hicks

Project Description: Estimate includes the filming and photography of the following events:

(1) x TBD in the 2026 Calendar Year.

Each event includes an edit of (1) x up to 2 minutes highlight video and up to (100) finished photos. Additional videos, videos and filming days to be estimated separately.

The costs listed in this estimate apply to events scheduled within the 2026 calendar year, provided the event does not land on the Fourth of July or any other federally recognized holiday.

Scope of Work	Cost

Video Production
2026 Photography & Production PKG, (1) x TBD Event

The costs listed apply to events scheduled within the 2026 calendar year, provided the event does not fall on the Fourth of July or any other federally recognized holiday.

Internal Services

Pre Production
: pre-production

Director
: director to oversee shoot and edit

Producer
: producer to oversee pre/post production, on location.

Associate Producer
: associate producer; on-location

Production Assistant
: On-location production assistant + prep

Audio Production
: audio syncing, studio time and audio mix

Editing
: editing of (1) x up to 2 minutes highlight videos for 2026 (1) x TBD Event. Includes final approved masters formatted for 9x16 Instagram Reels.

Includes footage import, edit, animation, color correction, rendering, exporting and proof uploading. Includes up to (2) round of client revisions per spot.

ESTIMATE
Windsong Productions
351 O Street
Fresno, CA 93721

TEL. 559.437.3900

Date: 2026-08-11
Title: **ONT: Event Filming & Photography Production PKG** Estimate #: **12455**

Assistant Editing
assistant editor to cull through the footage, catalog and assemble editing timeline

External Expenses

Camera Operator
(3) x camera operators w/ camera packages; (1) day of filming
Grip
Grip (2) + G&E gear
Photographer
(1) photographer to capture (1) x 2026 TBD Event; includes delivery of up to (100) finished photos.
Music
(3) royalty free music tracks

Production Management

Internal Services

Client Communication
no charge
Internal Meeting/Communication
Production Management
scheduling, crew communication pre- and post-shoot

Internal Expenses

Project Archive & Storage
ingest footage and meta-tag, make back-ups, compress footage with timecode for transcribing

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Total $21,475.00

Terms & Conditions

signature printed name date

Approved to proceed and have read and agree with terms and conditions.

signature printed name date

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **CONSENT CALENDAR**
Department: Economic Development 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: 10

SUBJECT: REAL PROPERTY EXCHANGE AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO-MONTCLAIR SCHOOL DISTRICT

RECOMMENDATION: That the City Council adopt a Resolution:

A. Declaring certain City-owned real property to be exempt surplus land;
B. Approving a Real Property Exchange Agreement with Ontario-Montclair School District;
C. Authorizing the City Manager to take all actions necessary with respect thereto; and authorize the City Manager or his designee, to finalize and implement non-substantive revisions to the Exchange Agreement, and execute and implement any and all contracts, agreements, and other documents required to effectuate the Agreement; and
D. Finding that no further California Environmental Quality Act analysis is necessary.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: As this is an even exchange of properties, there is no fiscal impact associated with this action.

BACKGROUND & ANALYSIS: On February 24, 2025, the City of Ontario (City) and the Ontario-Montclair School District (OMSD) executed a Letter of Intent (LOI) to explore the viability of exchanging properties for the purpose of expanding the City of Ontario's Civic Center Campus while enabling OMSD to relocate its District Headquarters to Downtown Ontario. This LOI enabled the City and OMSD an opportunity to negotiate terms in good faith.

The City, for its part, envisions a robust Civic Center Campus – one that modernizes facilities for public employees, brings more people to the downtown area, and better utilizes all space in the downtown core. The City expansion project (Expansion Project) includes the Ontario Montclair-School District Headquarters, a modern City Services Building, which would centralize and expand City Hall services, a 865-space parking structure, and a new state-of-the-art fire station. The parking

structure was completed earlier this year and the new City Services Building is under construction with an anticipated completion date of August 2027.

With the City and OMSD negotiations completed, the next step is to enter into a Real Property Exchange Agreement and Joint Escrow Instructions (Agreement). City Staff is recommending the following terms that would ultimately result in the exchange between one City-owned parcel and associated parking for one OMSD-owned parcel.

OMSD agrees to deed to the City a vacant 13.46-acre site zoned medium density residential located at 1375 East 6th Street on the northeast corner of 6th Street and Amador Avenue (APN: 0108-461-01, 02, 03 and 04) (OMSD Property). The exchange of this site will enable the City to expand required housing stock north of the 1-10 Freeway. The future development may include a low-moderate income residential project adding much need affordable housing to this area of the City.

In exchange for 1375 East 6th Street, the City will agree to convey the current City Hall Annex Building located at 200 North Cherry Avenue and former Fire Station No. 1 located at 425 East B Street (APN:1048-545-16) (City Property) to OMSD. The site encompasses 0.59-acres and a 47,500 square foot three-story office building. The Agreement also includes a Parking License that runs for 99 years, allowing OMSD exclusive use of 200 parking spaces in the new Civic Center parking structure. Upon completion of the new City Services Building and relocation of the City services housed in the current City Hall Annex, OMSD will move their current District Headquarters, ancillary uses, and all personnel to the City Property.

One term to note is that if the City sells the OMSD Property in the future, the City agrees to a 50/50 split of any profits generated from such sale with OMSD.

The City Property, to the extent is no longer necessary for the City’s use, is exempt from the Surplus Land Act, pursuant to Section 54221(f)(1)(C) of the Surplus Land Act.

In summary, the proposed exchange of the properties is in the City's best interest because it achieves the City's goals of attracting workforce population to the downtown area, removing blight, activating underutilized assets in the City, and incentivizing the development of a pipeline of talent that adds more high paying wage jobs to the City. Therefore, Staff recommends that the City Council approve and enter into this Real Property Exchange Agreement and Joint Escrow Instructions.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, (I) DECLARING CERTAIN CITY-OWNED REAL PROPERTY TO BE EXEMPT SURPLUS LAND; (II) APPROVING AN EXCHANGE AGREEMENT AND JOINT ESCROW INSTRUCTIONS WITH THE ONTARIO-MONTCLAIR SCHOOL DISTRICT; (III) AUTHORIZING THE CITY MANAGER TO TAKE ALL ACTIONS NECESSARY WITH RESPECT THERETO; AND (IV) FINDING THAT NO FURTHER CEQA ANALYSIS IS NECESSARY.

WHEREAS, the City of Ontario (the "City") owns in fee simple approximately 2.569 acres of real property identified as Assessor's Parcel Number 1048-545-16, located at 425 East B Street, Ontario, California 91764, and improved with an approximately 43,000-square-foot building commonly known as the City Hall Annex Building (the "City Property"), provided that the portion of the City Property described and identified in Exhibit E to the Agreement defined below (the "Excluded Portion") will remain with the City and will not be conveyed as part of the exchange; and

WHEREAS, the Ontario-Montclair School District (the "District") owns in fee simple four vacant parcels of land identified as Assessor's Parcel Numbers 0108-461-01, 0108-461-02, 0108-461-03, and 0108-461-04, totaling approximately 13.46 acres and generally bounded by 6th Street to the south and Amador Avenue to the west (collectively, the "District Property"); and

WHEREAS, the District desires to acquire the City Property to relocate certain administrative departments from the Briggs Educational Center located at 950 West D Street, Ontario, California 91762, and to obtain a license to use approximately two hundred (200) parking spaces in a multi-level parking structure developed by the City (the "Parking License"), which uses directly further the District's work and operations; and

WHEREAS, the City and the District desire to exchange the City Property, excluding the Excluded Portion, for the District Property, and the City desires to grant the Parking License to the District as additional consideration for the exchange, pursuant to the terms and conditions of that certain Exchange Agreement and Joint Escrow Instructions, substantially in the form attached hereto as Exhibit A and on file with the City Clerk (the "Agreement"); and

WHEREAS, the Agreement requires the parties to comply with Education Code section 17536 et seq., the Surplus Land Act (Government Code section 54220 et seq.) (the "Act"), and the Final Updated Surplus Land Act Guidelines dated August 1, 2024, and provides that the exchange will not proceed unless the California Department of Housing and Community Development approves, or is deemed to have approved, the District's exempt surplus land declaration as provided in the Agreement; and

WHEREAS, the City Property to be conveyed under the Agreement is not necessary for the City's use, and the District will acquire and use the City Property for an agency use that directly furthers the express purpose of the District's work and operations; and

WHEREAS, the City has determined, pursuant to Government Code sections 37350 and 37351, that exchanging the City Property, excluding the Excluded Portion, for the District Property and granting the Parking License pursuant to the Agreement are for the common benefit and in the best interests of the City and its residents; and

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

SECTION 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by reference.

SECTION 2. Finding of Exemption from Surplus Land Act. Based on the written findings set forth in this Resolution, the City Council hereby declares that the City Property, excluding the Excluded Portion, is not necessary for the City's use and is exempt surplus land pursuant to Government Code section 54221(f)(1)(D) because it will be transferred to the District, another local agency, for the District's agency use. The City Council further finds that the District's use of the City Property to house its administrative departments directly furthers the express purpose of the District's work and operations within the meaning of Government Code sections 54221(c)(1) and 54221(c)(2)(B)(i).

SECTION 3. Approval of Agreement. The City Council hereby approves the Agreement, including the form of Parking License Agreement attached as Exhibit D thereto, in substantially the form attached hereto as Exhibit A and on file with the City Clerk, subject to the approval or deemed approval of the California Department of Housing and Community Development as provided in the Agreement and together with such additions thereto and changes therein as the City Attorney shall deem necessary, desirable, or appropriate, the execution of which by the City Manager shall be conclusive evidence of the approval of any such additions and changes.

SECTION 4. City Manager Authorization. The City Manager is hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest to, the final form of the Agreement for and in the name and on behalf of the City. The City Council hereby authorizes the delivery and performance of the Agreement and the transactions contemplated thereby. The City Manager and the City Manager's designees are hereby authorized and directed, in consultation with City staff and the City Attorney, to execute and deliver the Parking License, grant deeds, escrow instructions, certificates, and any other documents, and to take any and all actions, that they may deem necessary or advisable to effectuate the purposes of this Resolution and consummate the transactions contemplated by the Agreement, including accepting conveyance of the District Property on behalf of the City. Any such actions previously taken by such officers are hereby ratified and confirmed.

SECTION 5. CEQA. The City Council finds that the declaration of the City Property, excluding the Excluded Portion, as exempt surplus land under the Act, approval of the Agreement, and authorization of the actions described in this Resolution do not constitute a "project" as defined in California Code of Regulations, title 14 (the "CEQA Guidelines"), section 15378 because those actions do not approve or commit the City to any specific development project and, standing alone, have no potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, even if such actions constitute a project, they are exempt under CEQA Guidelines section 15061(b)(3) because there is no possibility that they may have a significant effect on the environment. Any future discretionary approval for development of either property is not approved by this Resolution and will be subject to any environmental review required by the California Environmental Quality Act (Public Resources Code section 21000 et seq.).

SECTION 6. 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 6th day of October, 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 the foregoing Resolution No. 2026-____ was duly passed and adopted by the City Council of the City of Ontario at its regular meeting held October 6, 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 its regular meeting held October 6, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

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EXCHANGE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

Between

ONTARIO-MONTCLAIR SCHOOL DISTRICT

and

CITY OF ONTARIO

[City Hall Annex Building]

Effective Date: September ____, 2026

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EXCHANGE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

THIS EXCHANGE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("**Agreement**") is entered into this _____ day of September 2026 ("**Effective Date**") by and between the **ONTARIO-MONTCLAIR SCHOOL DISTRICT**, a public school district duly organized and validly existing under the Constitution and the laws of the State of California ("**District**") and the **CITY OF ONTARIO**, a California municipal corporation ("**City**"). District and City are sometimes hereinafter referred to individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. WHEREAS, District is the owner in fee of real property consisting of four (4) vacant parcels of land identified with assessor's parcel numbers ("**APN**") 0108-461-01, 0108-461-02, 0108-461-03, and 0108-461-04, totaling approximately 13.46 acres, generally bounded by 6th Street to the south and Amador Avenue to the west, as more particularly described and delineated in **Exhibit "A"** attached hereto and incorporated herein by reference ("**District Property**"). The District Property shall include District's right, title and interest, if any, in permits, utility agreements, entitlements, fixtures, equipment, approvals, reports, studies, and architectural and engineering work completed to date.

B. WHEREAS, City is the owner in fee of real property consisting of approximately 2.569-acres of land identified with APN 1048-545-16, located at 425 East B Street, Ontario, California 91764, on which is improved with an approximately 43,000-square-foot building commonly known as the City Hall Annex Building ("**Annex Building**"), as more particularly described and delineated in **Exhibit "B"** attached hereto and incorporated herein by reference ("**City Property**"). The City Property shall include City's right, title and interest, if any, to all permits, utility agreements, entitlements, fixtures, equipment, approvals, reports, studies, and architectural and engineering work completed to date. District Property and City Property are sometimes hereinafter referred collectively as the "**Properties**."

C. WHEREAS, City has developed a multi-level parking structure at the real property consisting of approximately ____ identified with APN _____, located at _____, ("**Parking Structure**") (as more particularly described in **Exhibit "C"**), and as part of the consideration for the exchange, City shall grant District certain rights to use a portion of the Parking Structure pursuant to a separate parking license agreement (**defined below**).

D. WHEREAS, the Parties have agreed to exchange ownership of the respective Properties in accordance with the processes set forth herein and pursuant to the requirements set forth in Education Code section 17536 et seq. and the Surplus Land Act ("**SLA**" – as further defined below).

E. WHEREAS, District desires to acquire the City Property for relocating certain administrative departments from Briggs Educational Center located at 950 West D Street, Ontario, California 91762, to the City Property, and to obtain the Parking License, which constitutes a valid agency use pursuant to provisions of the SLA - Government Code sections 54221(c)(1), 54221(c)(2)(B), and 54221(f)(1)(C), as such use will directly further the District's work and operations. Thus, District finds that the proposed exchange qualifies for exemption from the SLA.

AGREEMENT

NOW, THEREFORE, based upon the foregoing Recitals, which are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, District and City agree as follows:

1. EXCHANGE OF DISTRICT PROPERTY AND CITY PROPERTY.

1.1. Agreement to Exchange. Subject to all the terms, conditions, and provisions of this Agreement, and for the consideration herein set forth, District and City agree to exchange the District Property and the City Property ("**Property Exchange**"), respectively, each including, without limitation, such Party's interest in all mineral, oil, gas, and other hydrocarbon substances on and under the Properties as well as all development rights, air rights, water, water rights, and water stock relating to the Properties and any other easements, rights-of-way, or appurtenances used in connection with the beneficial use and enjoyment of the Properties. In addition to conveyance of the City Property, City shall provide District with a Parking License as additional consideration for the exchange.

1.2. Portion of City Property Excluded from Exchange. Notwithstanding anything to the contrary contained herein, the Parties agree that the portion of the City Property more particularly described and identified in **Exhibit E** attached hereto and incorporated herein by reference (the "Excluded Portion") shall be expressly excluded from the Property Exchange contemplated under this Agreement. Title to, ownership of, and all rights and interests in the Excluded Portion shall remain with the City and shall not be conveyed, transferred, exchanged, assigned, or otherwise included as part of the consideration or subject matter of the property exchange. The Parties shall take all necessary actions and execute such documents as may be required to ensure that the Excluded Portion is omitted from any deed, conveyance instrument, survey, or other document effectuating the exchange.

1.3. District Property Price. The District Property Price shall be determined by a mutually agreed-upon appraisal conducted in 2026 ("**District Property Appraisal**") by a Member of the Appraisal Institute (MAI) appraiser mutually selected by the Parties ("**Appraiser**"). Any prior appraisal or valuation data shall not be binding, or have any further meaning, effect, or applicability to this Agreement. The District Property Appraisal shall assume final approval by all required government entities of the legal permissions including, without limitation, zoning, permits, entitlements, and environmental review ("**City Entitlements**") necessary for the development and use of the District Property as _____ ("**City Project**"). The Parties acknowledge that the District Property Appraisal assumes that the City Entitlements will permit the construction by City of Ontario of the City Project.

1.4. City Property Price. The value of the City Property shall be determined based upon a mutually agreed-upon appraisal conducted by an Appraiser in 2026 ("**City Property Appraisal**"). The City Property Appraisal assumes Final Approval of the City Entitlements for the City Project.

1.4.1. As additional consideration, City shall grant District rights to use a portion of the Parking Structure pursuant to a Parking License Agreement. The Parties agree that the Parking License Agreement shall provide approximately two hundred (200) parking spaces, subject to final design and allocation, and shall be

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substantially in the form of **Exhibit "D"** attached hereto (the "**Parking License**"). The value of the Parking License shall be determined pursuant to a mutually agreed-upon appraisal conducted in 2026 by an Appraiser (the "**Parking License Appraisal**").

1.4.2. The aggregate values determined by the City Property Appraisal and the Parking License Appraisal shall collectively constitute the "**City Property Price**."

1.5. Appraisal. The Parties shall jointly select a mutually acceptable Appraiser to conduct both the District and City Property appraisals, including the valuation of the Parking License. The Parties shall confer in good faith to agree upon such Appraiser within a reasonable period of time. If the Parties cannot agree within such period, each Party shall select an Appraiser and the two Appraisers shall select a third Appraiser who shall perform the appraisal and whose determination shall be final. The appraisals shall determine fair market value of the District Property, the City Property, and the License in accordance with generally accepted appraisal standards and methodologies at or near the time of the exchange.

1.6. Meet and Confer Value Equalization Process.

1.6.1. This Section (Meet and Confer Value Equalization Process) shall apply only if the District Property Price exceeds the City Property Price by ten percent (10%) or more. Upon the occurrence of such event, all provisions of this Section shall immediately become effective and be enforceable by the Parties.

1.6.2. If the District Property Price does not exceed the City Property Price by ten percent (10%) or more, this Section (Meet and Confer Value Equalization Process) shall be null and void and of no further force or effect. The District Property Appraisal, City Property Appraisal and Parking License Appraisal shall be final, binding, and controlling for purposes of determining the District Property Price and City Property Price, respectively.

1.6.3. Within thirty (30) days of the Parties' receipt of the District Property Appraisal, City Property Appraisal and Parking License Appraisal the District may deliver written notice requesting a meet-and-confer session ("Notice"). Within sixty (60) days following receipt of the Notice (the "Meet and Confer Period"), the City Manager and the District Superintendent shall promptly meet and confer in good faith to establish a mutually agreed valuation adjustment formula or other mechanism to equalize the value disparity between the City Property Price and the District Property Price (the "Valuation Adjustment Formula").

1.6.4. If, after the Meet and Confer Period, the Parties do not agree upon a Valuation Adjustment Formula, Section 5.4 (Future Sale Participation) and all other terms and conditions of this Agreement shall immediately, without further written notice, remain fully enforceable, and the Parties shall continue to work in good faith to close escrow and finalize the Exchange Agreement.

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1.6.5. If, after the Meet and Confer Period, the Parties do agree upon a Valuation Adjustment Formula, the Parties shall memorialize such agreement in a written amendment to this Agreement, subject to approval by the governing bodies of both the City and the District and execution by their duly authorized representatives.

1.7. No Deposits. The Parties acknowledge and agree that no earnest money, security deposit, or other form of deposit shall be required or made by either Party in connection with this Agreement. Each Party expressly waives any requirement for a deposit, and the obligations of the Parties hereunder are not contingent upon payment or receipt of any such deposit.

1.8. Education Code/Surplus Land Act. The Parties agree to comply with and take all actions required by California Education Code section 17536 et seq. for the Property Exchange. The Parties shall further comply with and take all actions required by Government Code section 54220 et seq. and the related Final Updated Surplus Land Act Guidelines dated August 1, 2024 ("**SLA Guidelines**"), for the District Property to be deemed "exempt surplus land" for exchange to City in accordance with Government Code sections 54221(f)(1)(C) and/or 54221(f)(1)(D). Without limiting any of the other terms of this Agreement, District agrees that the City Property will be acquired by District solely for its "Agency Use" as defined in Government Code section 54221(c)(2)(B). District shall provide City with no indemnity from any claims, actions, losses, or liabilities made against or suffered by City by reason of SLA compliance, except to the extent a claim results solely from District's intentional misconduct, including District's failure to comply with any decision by the California Department of Housing and Community Development ("**HCD**") regarding this Agreement after the District submits its SLA Resolution to HCD for final approval in accordance with Sections 103(e) and 400(e) of the SLA Guidelines. Without limiting the foregoing, within ninety (90) days after the Effective Date, District's Board of Trustees ("**Board**") shall consider adopting a resolution finding that the District Property is "exempt surplus land" in accordance with Government Code sections 54221(b)(1), 54221(f)(1)(C) (or 54221(f)(1)(D)), and 54221(c)(2)(B)(i) ("**SLA Resolution**") and approve the Agreement (subject to HCD Approval, defined below), and deliver a copy of the SLA Resolution to HCD in accordance with Sections 103(e) and 400(e) of the SLA Guidelines, and shall take all other actions required by HCD for HCD's approval or deemed approval of the SLA Resolution ("**HCD Approval**"). District agrees that no affordable housing covenant or restriction under Government Code sections 54233 or 54233.5 shall be recorded against the District Property before the Closing; provided, however, that the City Project shall be subject to any inclusionary housing requirements, if any, of the City. District, prior to the Effective Date, has submitted a draft of the SLA Resolution and this Agreement to HCD's Technical Assistance staff for informal review. Last, the City Property shall satisfy the requirements set forth in Title 5 of the California Code of Regulations section 14010 et seq.

1.9. Community Outreach. As part of the Agreement, the Parties shall negotiate and agree upon a community outreach program, which shall include a proposed plan for conducting outreach to various community groups and stakeholders for educating and soliciting input from the public with respect to the City Project, and for informing the Board, regulatory agencies, and stakeholders about the City Project during the term of the Agreement ("**Community Outreach Program**"). All public communications relating to the District Property or the proposed exchange shall be subject to prior review by the District, and nothing herein shall limit the District's authority to conduct public outreach consistent with its obligations under the Brown Act and Education Code.

2. INSPECTIONS AND REVIEW/ENTITLEMENTS.

2.1. Delivery of Due Diligence Materials. Within ten (10) days of the Effective Date, the Parties shall deliver to the other Party, without representation or warranty of completeness or accuracy, copies of the documents, reports, agreements, or other items in their respective possession or control relating to the Properties and which may include the following (collectively, "**Due Diligence Materials**"): (i) all licenses, leases, and permits affecting or relating to the ownership, subdivision, possession, or development of the Properties or the construction of improvements thereon, and all amendments and modifications thereto; (ii) applications and correspondence or other written communications to or from any governmental entity, department, or agency, regarding any permit, approval, consent, or authorization with respect to the development of the Properties or the construction of improvements thereon; (iii) the most recent survey, if any, pertaining to the Properties or any portion thereof; and (iv) soils reports, engineering data, environmental reports, and other data or studies pertaining to the Properties or any portion thereof that have not been previously delivered to the other Party. The Parties shall deliver to the other Party, without representation or warranty of completeness or accuracy, copies of all Due Diligence Materials relating to the Properties. Any Due Diligence Materials shall be provided to the other Party without any recourse or liability of any type or nature. Each Party assumes all risk of any kind with regard to the use of and reliance upon any of the Due Diligence Materials provided by the other Party. Neither Party is relying upon the other Party for any information related to, concerning, or involving the respective Properties for this Exchange, including, without limitation, the fair market value of the Properties.

2.2. Inspections. During the term of this Agreement, the Parties and their representatives, agents, engineers, consultants, contractors, and designees shall have the continuing right to enter onto the Properties after a minimum of two (2) business days' prior written notice to the other Party, for the purposes of examining, inspecting, and investigating the Properties, including the site, soil, subsurface soils, drainage, seismic, and other geological and topographical matters, location of asbestos, toxic substances, hazardous materials, or wastes, if any, and, at each Party's sole and absolute discretion, determining whether the Properties are acceptable, in accordance with that certain Right of Entry Agreement dated as of _____ ("**Entry License Agreement**") attached hereto and made a part hereof as **Exhibit "F"**. City and District hereby confirm the Entry License Agreement and agree that the term of the Entry License Agreement is hereby extended and shall remain in effect for the term of this Agreement, notwithstanding anything to the contrary set forth in the Entry License Agreement. In the event any provision of the Entry License Agreement conflicts with any provision herein, the terms of the Entry License Agreement shall control.

2.2.1. Each Party shall, in a timely manner, repair any and all damage to the respective Properties caused by any such inspection or investigation described herein, to a condition substantially the same as the condition of the respective Property prior to such inspection or investigation. Further, the indemnity and release and waiver terms of the Entry License Agreement shall apply to City in the case of its due diligence activities under this Section 2 with regards to the District Property and shall likewise apply to District in the case of its due diligence activities under this Section 2 with regards to the City Property. The foregoing indemnities shall survive the close or the termination of this transaction.

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2.3. As-Is. Based on the inspection rights set forth in the preceding paragraph and in reliance on the due diligence of each Party, the District and City acknowledge and agree that, except for the limited warranties and representations expressly set forth in this Agreement, the Exchange is made solely on an AS-IS, WHERE-IS BASIS, WITH ABSOLUTELY NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED. But for the foregoing understanding and agreement, the Parties would not have entered into this transaction. Each Party acknowledges that because of the expertise, experience and business acumen of both Parties and their respective consultants, each Party has the ability to conduct a complete and thorough due diligence of the respective Properties and would not close the transaction unless satisfied, in its sole discretion, with the condition of the respective Properties.

2.4. Due Diligence/Disapproval/Termination. The Parties shall have one hundred twenty (120) days after the Opening of Escrow during which the Parties shall be provided access to the Properties to review all of the Due Diligence Materials for the Properties, review the results of their inspections and testing of the Properties and otherwise determine the feasibility of the Properties ("**Parties' Due Diligence Period**"). On or before the expiration of the Parties' Due Diligence Period, each Party shall deliver to the other Party and Escrow Holder written notice of the Party's approval or disapproval of the feasibility of the Properties (the "**Party's Due Diligence Notice**"). If a Party's Due Diligence Notice disapproves the feasibility of the Properties, or if a Party fails to timely deliver the Party's Due Diligence Notice on or before the expiration of the Parties' Due Diligence Period, then that Party shall be conclusively deemed to have disapproved the feasibility of the Properties and this Agreement shall terminate and neither Party shall have any further rights or obligations under this Agreement, except those expressly stated to survive termination.

2.4.1. During the term of this Agreement, District shall use its good faith efforts to conduct and complete its due diligence as to the City Property in sufficient time to permit the Closing of the Exchange to occur by the Closing Date ("**District Due Diligence Period**").

2.5. Title Review.

2.5.1. City shall obtain a preliminary title report for the District Property current as of the Effective Date, together with copies of all written instruments creating the exceptions specified therein, and plat maps plotting all easements specified therein (collectively, "**City Title Report**"). City shall notify District in writing ("**City's Title Objection Notice**") within sixty (60) days after the Effective Date of any objections City may have to the title exceptions contained in the City Title Report for the District Property. City's failure to provide District with City's Title Objection Notice within said period shall constitute City's approval of all exceptions to title shown on the Title Report for the District Property. District shall have a period of ten (10) days after receipt of City's Title Objection Notice in which to deliver written notice to City of District's election to either: (i) agree to remove or cure the objected-to items prior to the Close of Escrow, or (ii) decline to remove or cure any such title exceptions. If District notifies City of its election to not remove and cure the objected-to items, City shall have the right to either accept the District Property subject to the objected-to items or to terminate the Escrow under Section 2.4. For the purpose of this paragraph, District's cure of any title objections

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may include the acquisition by District, at District's expense, of a title insurance endorsement related to the objected to exception reasonably acceptable to City.

2.5.2. Upon the issuance of any amendment or supplement to the Title Report for the District Property which adds additional exceptions, or adds any new requirement, the foregoing right of review and approval shall also apply to said amendment or supplement; provided, however, that City's initial period of review and approval or disapproval of any such additional exceptions shall be limited to fifteen (15) days following City's and its counsel's receipt of the instrument(s) creating such additional exceptions. The foregoing extension shall only be allowed for and pertain to the review of any new matter and City shall not be entitled to object to any previously known exception or requirement for which the time for objection has already come and passed.

2.5.3. For the City Property, in reciprocal fashion, District shall notify City in writing ("**District's Title Objection Notice**") within sixty (60) days of its receipt of a preliminary title report for the City Property, together with copies of all written instruments creating the exceptions specified therein, and plat maps plotting all easements specified therein (the "**District Title Report**"). District's failure to provide City with District's Title Objection Notice within said period shall constitute District's approval of all exceptions to title shown on the Title Report for the City Property. City shall have a period of ten (10) days after receipt of District's Title Objection Notice in which to deliver written notice to District of City's election to either (i) agree to remove or cure the objected to items prior to the Close of Escrow, or (ii) decline to remove or cure any such title exceptions. If City notifies District of its election to not remove and cure the objected-to items, District shall have the right to either accept the City Property subject to the objected to items or to terminate the Escrow under Section 2.4. For the purpose of this paragraph, City's cure of any title objections may include the acquisition by City at City's expense a title insurance endorsement related to the objected-to exception reasonably acceptable to the District.

2.5.4. Upon the issuance of any amendment or supplement to the Title Report for the City Property which adds additional exceptions, or adds any new requirement, District's foregoing review and approval rights shall also apply to said amendment or supplement; provided, however, that District's initial period of review and approval or disapproval of any such additional exceptions shall be limited to fifteen (15) days following District's and its counsel's receipt of the instrument(s) creating such additional exceptions. The foregoing extension shall only be allowed for and pertain to the review of any new matter and District shall not be entitled to object to any previously known exception or requirement for which the time for objection has already come and passed.

3. ESCROW.

3.1. Opening of Escrow. Within five (5) business days following District's receipt of HCD Approval, the Parties shall execute this Agreement and deliver fully executed counterparts to Escrow Holder, at which time Escrow shall be deemed opened ("**Opening of Escrow**"). The Parties shall open an escrow ("**Escrow**") with First American Title Company ("**Escrow Holder**"), located at 4210 Riverwalk Parkway, Suite 200, Riverside, California 92505, attn. _____, Escrow Officer, email address: _____, and telephone number _____, by causing an executed copy of this Agreement to be deposited with Escrow Holder. Escrow Holder shall provide the Parties with written confirmation of the date of the Opening of Escrow in accordance with Section 8.3. Fidelity National Title Company ("**Title Company**") shall also provide title insurance services related to this Agreement.

3.2. Close of Escrow; Closing Date. Escrow shall close no later than thirty (30) days after the Parties Due Diligence Notice is received approving the Properties ("**Closing Date**").

3.3. Escrow Instructions. This Agreement, together with any standard instructions of Escrow Holder, shall constitute the joint escrow instructions of District and City to Escrow Holder as well as an agreement between District and City. In the event of any conflict between the provisions of this Agreement and Escrow Holder's standard instructions, this Agreement shall prevail.

3.4. Deliveries by City. No later than 10:00 am on the Closing Date, City shall deliver to Escrow Holder:

(a) A grant deed in the form of **Exhibit "G"** attached to this Agreement ("**City Property Grant Deed**") conveying to District, City's fee simple title to the City Property, duly executed and acknowledged by City;

(b) A certificate of non-foreign status in the form attached hereto as **Exhibit "H"** and California Franchise Tax Board Form 590-RE, each executed by City;

(c) Any and all other sums and documents required by Escrow Holder to carry out and close the Escrow pursuant to this Agreement, including City's portion of prorations, if any, and the City Closing Payment (if applicable).

3.5. Deliveries by District. No later than 1:00 p.m. on the business day preceding the Closing Date, District shall deliver to Escrow Holder:

(a) A grant deed in the form of **Exhibit "I"** attached to this Agreement ("**District Property Grant Deed**") conveying to City, District's fee simple title to the District Property, duly executed and acknowledged by District;

(b) A Public Agency Certificate of Acceptance for the City Property Grant Deed in the form attached hereto as **Exhibit "J"**;

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(c) A certificate of non-foreign status in the form attached hereto as **Exhibit "K"** and California Franchise Tax Board Form 590-RE, each executed by District;

(d) All other sums and documents required by Escrow Holder to carry out and close the Escrow pursuant to this Agreement, including the Escrow fees and District's portion of prorations, if any, and the District Closing Payment (if applicable).

3.6. Closing, Recording, and Disbursements. On or before the Closing Date, and when all of the conditions precedent to the Close of Escrow set forth in Section 4 have been satisfied or waived in writing, Escrow Holder shall take the actions set forth herein.

3.6.1. Recording. Escrow Holder shall cause the City Property Grant Deed and District Property Grant Deed (collectively, "**Grant Deeds**") to be recorded in the Office of the County Recorder of the County in which the Properties are located.

3.6.2. Disbursement of Funds. Escrow Holder shall either disburse or hold the City Closing Payment, less prorations chargeable to District, if any, in accordance with the District's instructions, or, if applicable, disburse any District Closing Payment to City.

3.6.3. Title Policy. Escrow Holder shall deliver to both Parties a commitment to issue Title Policies for the respective Properties, as referred to in Section 4.

3.6.4. Delivery of Documents to District and City. Escrow Holder shall deliver to the respective Parties, a conformed copy of the respective Grant Deeds, and any other documents (or copies thereof) deposited by the other Party with Escrow Holder pursuant to this Agreement. The originals of the Grant Deeds shall be returned to the respective Parties after recordation.

3.6.5. Real Property Taxes. All non-delinquent general and special real property taxes and assessments shall be prorated as of the Close of Escrow.

3.7. Payment of Costs. The District shall pay all applicable documentary transfer taxes and costs associated with recording the District Property Grant Deed for the District Property. City shall pay all title insurance premiums for the ALTA standard owner's form policy for the District Property, and City shall pay all charges associated with the title insurance premium for any additional cost of obtaining any additional coverage requested by City, including the difference between an ALTA standard owner's policy and an ALTA extended owner's policy. City shall pay all applicable documentary transfer taxes and costs associated with recording the City Property Grant Deed. District shall pay all title insurance premiums for the ALTA standard owner's form policy for the City Property, and District shall pay all charges associated with the title insurance premium for any additional cost of obtaining any additional coverage requested by District, including the difference between an ALTA standard owner's policy and an ALTA extended owner's policy. The Parties shall pay the Escrow fees and any Escrow Holder's termination fees, in equal shares, unless one Party is solely in default and upon such default, in which event, the defaulting Party shall be solely liable for all Escrow costs and fees. The Parties shall each be

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responsible for their respective attorneys' fees. All other costs of Escrow not specifically allocated in this Agreement shall be prorated as of the Close of Escrow, if applicable, and otherwise paid in equal amounts by the Parties.

4. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

4.1. Conditions to District's Obligations. District's obligation to exchange for the City Property, upon the Close of Escrow, shall be subject to the satisfaction or written waiver by District of each of the conditions precedent set forth herein.

4.1.1. City's Performance. City is not in material default of any term or condition of this Agreement. In the event District alleges that City is in material default, District shall notify City in writing and describe the alleged default in detail. City shall have a reasonable time, but not less than fifteen (15) days, to cure any alleged default.

4.1.2. City Deliveries Made. City has deposited with Escrow Holder all documents required of City by this Agreement.

4.1.3. Title Policy. Title Company has committed to issue to District an ALTA standard, or at District's choice, an ALTA extended coverage owner's policy of title insurance ("**District's Title Policy**"), with liability in the amount of the City Property Price, or greater if required in District's sole discretion, showing fee title to the City Property vested in the District, subject only to:

(a) The standard printed exceptions and exclusions contained in the form of the Title Policy commonly used by Title Company; title exceptions approved by District pursuant to Section 2 of this Agreement;

(b) Title exceptions resulting from documents being recorded or delivered through Escrow pursuant to this Agreement; and

(c) Any other exceptions approved in writing by District in its sole and absolute discretion.

(d) No mechanic's liens, monetary encumbrances, or financing liens affecting the City Property shall remain unsatisfied at Closing other than those approved by District as District Permitted Exceptions. The terms of sub-sections (a) through (d), inclusive, being herein collectively referred to as the "**District Permitted Exceptions**".

4.1.4. Representations and Warranties. All representations and warranties made by City in this Agreement, to City's actual knowledge, are true and correct as of the Closing as though made at that time.

4.1.5. City Property Condition. City Property must: a) comply with Government Code 54221(f)(1)(C) and/or (D), as applicable; (b) be capable of satisfying

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the applicable requirements of Title 5 of the California Code of Regulations, including Section 14010 et seq.; and (c) be free and clear of monetary liens and encumbrances other than non-delinquent taxes and District-approved exceptions.

4.1.6. Parking Structure Condition. City shall demonstrate that the Parking Structure is constructed to a stage reasonably acceptable to District, and is available for District use in accordance with the Parking License at or before Closing, as applicable.

4.2. Conditions to City's Obligations. City's obligation to exchange for the District Property, upon the Close of Escrow, shall be subject to the satisfaction or written waiver by City of each of the conditions precedent set forth in this Section 4.

4.2.1. District's Performance. District is not in material default of any term or condition of this Agreement. In the event City alleges that District is in material default, City shall notify District in writing and describe the alleged default in detail. District shall have a reasonable time, but not less than fifteen (15) days, to cure any alleged default.

4.2.2. District Deliveries Made. District has deposited with Escrow Holder all documents required of District by this Agreement.

4.2.3. Title Policy. Title Company has committed to issue to City an ALTA standard, or at City's choice, an ALTA extended coverage owner's policy of title insurance ("**City's Title Policy**"), with liability in the amount of the District Property Price, showing fee title to the District Property vested in City, subject only to:

(a) The standard printed exceptions and exclusions contained in the form of the Title Policy commonly used by Title Company;

(b) Title exceptions approved by City pursuant to Section 2 of this Agreement;

(c) Title exceptions resulting from documents being recorded or delivered through Escrow pursuant to this Agreement; and

(d) Any other exceptions approved in writing by City in its sole and absolute discretion. The terms of sub-sections (a) through (d), inclusive, being herein collectively referred to as the "**City Permitted Exceptions**".

4.2.4. Representations and Warranties. All representations and warranties made by District in this Agreement, to District's actual knowledge, are true and correct as of the Closing as though made at that time.

4.2.5. Education Code/Surplus Land Act. The completion by District of all of its requirements under this Agreement, including obtaining HCD Approval.

4.3. Mutual Conditions. The obligations of each Party to consummate the Exchange are conditioned upon satisfaction or waiver of the following:

4.3.1. Completion or near-completion of construction of the new Annex to a stage reasonably acceptable to District;

4.3.2. Completion and mutual acceptance of updated appraisals of the Properties conducted by a mutually agreed upon Appraiser in 2026; and

4.3.3. Completion of an updated financial feasibility analysis based on the appraisals, reasonably acceptable to each Party.

4.4. Hazardous Materials; Environmental Compliance. As a result of the Parties' respective inspections pursuant to Section 2, each Party intends to satisfy itself that the District Property and City Property, as applicable, is not in violation of any federal, state, or local law, ordinance, or regulation relating to Hazardous Materials, industrial hygiene, or to the environmental conditions on, under, or about the respective District Property or City Property, or any portion thereof, including, but not limited to, soil and groundwater conditions ("**Environmental Laws**"). If, at any time prior to the expiration of the Parties' Due Diligence Period, a Party determines that the Properties, or any portion thereof, is in violation of any Environmental Laws, that Party may elect to terminate this Agreement and cancel the Escrow by delivering written notice to that effect to the other Party and Escrow Holder, thereby rendering this entire Agreement invalid, void, and unenforceable. The term "**Hazardous Materials**" when used in this Agreement shall mean any hazardous waste, hazardous substance, hazardous materials or toxic substances as defined, as of the Closing Date, in any federal, state, or local statute, ordinance, rule, or regulation applicable to the Property, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (Title 42 United States Code Sections 9601-9675), the Resource Conservation and Recovery Act (Title 42 United States Code Sections 6901-6992k), the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code Sections 25300-25395), Hazardous Waste Control Law (Health and Safety Code Section 25100-25250.25); the Hazardous Materials Transportation Act, as amended (Title 49 United States Code Sections 1801-1819); and any substance defined as "hazardous waste" in Health and Safety Code Section 25117 or as a "hazardous substance" in Health and Safety Code Section 25316, and in the regulations adopted and publications promulgated under these laws. "**Hazardous Materials**" shall also include asbestos or asbestos-containing materials, radon gas, and petroleum or petroleum fractions, whether or not defined as a hazardous waste or hazardous substance in any such statute, ordinance, rule, or regulation as of the Closing Date.

4.5. Satisfaction of Conditions. Where satisfaction of any of the foregoing conditions requires action by District or City, each Party shall use its diligent, best efforts, in good faith, and at its own cost, to satisfy such condition. Where satisfaction of any of the foregoing conditions requires the approval of a Party, such approval shall be in such Party's sole and absolute discretion.

4.6. Waiver. District may at any time or times, at its election, waive any of the conditions set forth in Section 4.1 to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by District and delivered to City. City may at any time or times, at its election, waive any of the conditions set forth in Section 4.2 to its obligations

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hereunder, but any such waiver shall be effective only if contained in a writing signed by City and delivered to District.

4.7. Termination. In the event all of the conditions set forth in Section 4 are not fulfilled within the time provided by the terms of this Agreement or waived by a Party pursuant to Section 4.6, that Party may, at its option, terminate this Agreement and the Escrow, thereby releasing the Parties from further obligations related to the exchange of the Properties hereunder. Furthermore, in the event this Agreement is terminated by either Party, all documents delivered by any Party to Escrow Holder shall be returned within a reasonable time to the original Party. Nothing in this Section 4.7 shall be construed as releasing any Party from liability for any default of its obligations hereunder or breach of its representations and warranties under this Agreement occurring prior to the termination of this Agreement and/or the Escrow to be opened hereunder.

5. REPRESENTATIONS AND WARRANTIES-BROKERAGE COMMISSIONS.

5.1. District's Representations and Warranties. District hereby makes the following representations and warranties to City, each of which: (i) is material and relied upon by City in making its determination to enter into this Agreement, (ii) is to the actual knowledge of District true in all respects as of the Effective Date and shall be true in all respects on the Closing Date, and (iii) shall survive the Close of Escrow for one (1) year:

(a) District has full right, power, and authority to enter into this Agreement and to perform District's obligations hereunder. This Agreement and all other documents delivered by District to City now or at the Close of Escrow, have been or will be duly executed and delivered by District and are legal, valid, and binding obligations of District, sufficient to convey to City good and marketable title to the District Property, are enforceable in accordance with their respective terms, and do not materially violate any provision of any agreement to which District is a party.

(b) Other than those matters known and disclosed by the Parties as of the Effective Date, there are no pending or known threatened actions, suits, writs, injunctions, decrees, legal proceedings or governmental investigations against or affecting the District Property or relating to the ownership, maintenance, use or operation of the District Property. Other than those matters known and disclosed by the Parties as of the Effective Date, District has not received any written notices nor has any actual knowledge of any violation of any laws, ordinances, rules, regulations or requirements of any governmental agency, body or subdivision affecting or relating to the District Property.

(c) Other than those matters known and disclosed by the Parties as of the Effective Date, District has not received any written notices nor has any actual knowledge of any violation of any laws, ordinances, rules, regulations or requirements of any governmental agency, body, or subdivision affecting or relating to the District Property.

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(d) Other than those matters known and disclosed by the Parties as of the Effective Date, there are no written leases, rights of first refusal, or other agreements relating to the right of possession and/or occupancy of the District Property by any person or entity, except for matters of record approved by City.

(e) Other than those matters known and disclosed by the Parties as of the Effective Date, District is not actually aware that the District Property, or District, are in violation of any applicable federal, state, or local statute, ordinance, order, requirement, law, or regulation materially adversely affecting the District Property or construction of any improvement thereon. District has received no written notice of any such violation of applicable law. City shall make its own independent determination of the feasibility of the use of the District Property for City's intended use.

(f) District has not caused or knowingly permitted any contamination by Hazardous Materials (as defined in herein) to occur on, at, about, or within the District Property, or any portion thereof, or otherwise knows of any such contamination of Hazardous Materials on, at, about, or within the District Property, or any portion thereof.

(g) For the purpose of the foregoing District warranties and representations, "knowledge" shall be limited to actual written notice received by the District's designated person in a manner reasonably calculated to provide actual notice, without any duty of inquiry or investigation. District's designated representatives are solely limited to _____ in their individual capacity, and do not include any of the District's other agents, advisors, or consultants. Any knowledge obtained by District prior to the Closing Date which is contrary or inconsistent with any representation or warranty of District shall not release District of any liabilities or obligations with respect thereto.

5.2. City's Representations and Warranties. City hereby makes the following representations and warranties to District, each of which: (i) is material and relied upon by District in making its determination to enter into this Agreement, (ii) is to the actual knowledge of City true in all respects as of the Effective Date and shall be true in all respects on the Closing Date, and (iii) shall survive the Close of Escrow for one (1) year:

(a) City has full right, power, and authority to enter into this Agreement and to perform City's obligations hereunder. This Agreement and all other documents delivered by City to District now or at the Close of Escrow, have been or will be duly executed and delivered by City and are legal, valid, and binding obligations of City, sufficient to convey to District good and marketable title to the City Property, are enforceable in accordance with their respective terms, and do not materially violate any provision of any agreement to which City is a arty.

(b) Other than those matters known and disclosed by the Parties as of the Effective Date, City has not received any written notices and has no actual

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knowledge of any pending or threatened actions, suits, writs, injunctions, decrees, legal proceedings, governmental investigations, or violations of any laws, ordinances, rules, regulations, or requirements of any governmental agency, body, or subdivision affecting or relating to the City Property or relating to the ownership, maintenance, use, or operation of the City Property.

(c) Other than those matters known and disclosed by the Parties as of the Effective Date, City has not received any written notices nor has any actual knowledge of any violation of any laws, ordinances, rules, regulations or requirements of any governmental agency, body, or subdivision affecting or relating to the City Property.

(d) Other than those matters known and disclosed by the Parties as of the Effective Date, there are no written leases, rights of first refusal, or other agreements relating to the right of possession and/or occupancy of the City Property by any person or entity, except for matters of record approved by District.

(e) Other than those matters known and disclosed by the Parties as of the Effective Date, City is not actually aware that the City Property or City are in violation of any applicable federal, state, or local statute, ordinance, order, requirement, law, or regulation materially adversely affecting the City Property or construction of any improvement thereon. City has received no written notice of any such violation of applicable law. District shall make its own independent determination of the feasibility of the use of the City Property for District's intended use.

(f) City has not personally caused or knowingly permitted any contamination by Hazardous Materials (as defined in Section 4.4) to occur on, at, about, or within the City Property, or any portion thereof, or otherwise knows of any such contamination of Hazardous Materials on, at, about, or within the City Property, or any portion thereof.

(g) For the purpose of the foregoing City warranties and representations, "knowledge" shall be limited to actual written notice received by the City's designated person in a manner reasonably calculated to provide actual notice, without any duty of inquiry or investigation. City's designated representatives are solely limited to _____ in their individual capacity, and do not include any of the City's other agents, advisors, or consultants. Any knowledge obtained by District prior to the Closing Date which is contrary or inconsistent with any representation or warranty of City shall not release City of any liabilities or obligations with respect thereto.

5.3. If either Party becomes aware of any act or circumstance which would change or render incorrect, in whole or in part, any representation or warranty made by the Parties hereunder, whether as of the Effective Date or any time thereafter through the Closing Date, that Party will give immediate written notice of such changed fact or circumstance to the other Party, but such notice shall not release the Party of any liabilities or obligations with respect thereto. For the

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purpose of the foregoing warranties and representations, the knowledge requirement shall be based on actual written notice to a Party's designated person in a form which would provide actual notice to a person without a duty of inquiry.

5.4. Future Sale Participation.

5.4.1. City presently contemplates disposing of the District Property pursuant to the Surplus Land Act for affordable housing purposes. If City voluntarily sells, exchanges, transfers or otherwise disposes of the District Property whether in a single transaction or a series of related transactions in an arm's-length transaction to an unaffiliated third party within ten (10) years following the Close of Escrow, and the value of the consideration received by the City in such transaction exceeds the District Property Price as set forth in this Agreement, City shall pay to District an amount equal to fifty percent (50%) of the difference between the gross sale price and the District Property Price (the "Excess Value"). For purposes of this Section, Excess Value shall be determined as of the date of such disposition and shall include all forms of consideration received or to be received by City, whether cash or non-cash.

5.4.2. Notwithstanding the foregoing, Excess Value shall exclude: (i) the portion of any increase in value attributable to specific actions, expenditures, investments, improvements, approvals, entitlements, incentives, or other affirmative efforts undertaken, funded, or obtained by City after the Close of Escrow, including any value created directly by City or indirectly through the efforts of a developer, consultant, contractor, affordable housing sponsor, or other third party, to the extent the costs of such efforts, improvements, approvals, or activities were paid for, reimbursed, funded, subsidized, or otherwise borne by City (collectively, the "**City-Created Value**"); (ii) customary and reasonable transaction costs actually incurred in connection with the disposition of the District Property demonstrated through reasonable supporting documentation, including, without limitation, brokerage commissions, marketing expenses, escrow fees, title charges, transfer taxes, recording fees, legal fees, due diligence costs, closing costs, and other customary real estate transaction expenses (collectively, "**Transaction Costs**"); and (iii) the aggregate amount of any grants, loans subject to forgiveness, rebates, credits, incentives, fee waivers, infrastructure contributions, direct payments, or other financial assistance provided, funded, reimbursed, or otherwise borne by City in connection with the ownership, development, improvement, operation, or disposition of the District Property (collectively, "**City Subsidies**"). City Subsidies shall be deducted from Excess Value on a dollar-for-dollar basis, regardless of whether or to what extent such City Subsidies resulted in a corresponding increase in the value of the District Property; provided, however, that no amount shall be excluded or deducted more than once under this provision.

5.4.3. Determination of Excess Value

5.4.3.1. Within thirty (30) days following execution of a definitive agreement for any disposition subject to this Section, and in any event no later than ninety (90) days prior to the anticipated closing date, City shall deliver to District written notice of the proposed disposition together with copies of

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all material transaction documents and a preliminary calculation of Excess Value, including any claimed City-Created Value and Transaction Costs. Within fifteen (15) days after receipt of such notice, the Parties shall jointly select an Appraiser as set forth in the Section above titled "Appraisal."

5.4.3.2. The Appraiser shall determine or, in the case of (iii) and (iv), below, verify: (i) the fair market value of the District Property as of the date of the proposed disposition; (ii) the portion of such value, if any, attributable to City-Created Value; (iii) the amount of allowable Transaction Costs; (iv) the amount of any City Subsidies; and (v) the resulting Excess Value. In making such determination, the Appraiser shall consider all information reasonably relevant to the valuation, including appraisals, market data, entitlement history, development approvals, infrastructure improvements, public investments, development agreements, financing arrangements, affordability restrictions, and any other factors affecting value.

5.4.3.3. Excess Value shall be calculated as follows: Excess Value = Gross Sale Price minus the District Property Price, minus City-Created Value as determined by the Appraiser, minus City Subsidies, minus allowable Transaction Costs. No other deductions, offsets, or adjustments shall be permitted unless expressly agreed to in writing by the Parties.

5.4.3.4. Any Excess Value to be paid to District pursuant to this Section shall be paid from closing proceeds concurrently with the closing of the applicable disposition. If the appraisal is not completed prior to closing, City shall deposit the amount reasonably estimated by District to be payable under this Section into an escrow account with a mutually acceptable escrow holder pending final determination by the Appraiser. Upon issuance of the Appraiser's determination, the escrowed funds shall be disbursed accordingly, and any deficiency shall be paid by the City to the District within ten (10) business days of the Appraiser's issuance of a report determining the Excess Value.

5.4.3.5. The costs of the appraisal shall be shared equally by the Parties; provided, however, that if the Appraiser determines that either Party's proposed calculation of Excess Value differed by more than ten percent (10%) from the Appraiser's final determination, such Party shall reimburse the other Party for its share of the appraisal costs.

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5.4.4. Failure by City to comply with the notice requirements or to timely pay any amounts due shall constitute a material breach of this Agreement; provided, however, that City shall have no liability unless and until District provides written notice of such failure and City fails to cure the same within sixty (60) days after receipt of such notice. In such event, (i) all unpaid amounts shall accrue interest at the maximum rate permitted by law from the date due until paid, (ii) District shall have the right to audit City's records relating to the transaction upon reasonable prior written notice during normal business hours solely for purposes of verifying amounts payable under this Section, provided that District shall bear the costs of such audit unless an underpayment of more than five percent (5%) is discovered, and (iii) City shall be responsible for all costs and expenses incurred by District in enforcing this Section, including reasonable attorneys' fees. District shall also be entitled to pursue all available legal and equitable remedies; provided that District shall have no right to seek rescission of any transfer or otherwise impair title to the District Property or any subsequent transfer thereof.

5.4.5. No payment shall be owed if (i) it is determined by the Appraiser there is no Excess Value, or (ii) no such disposition occurs within ten (10) years following the Close of Escrow City shall not structure any transaction with the primary intent of avoiding the obligations set forth herein, and any series of related transactions for the District Property shall be aggregated and treated as a single disposition for purposes of this Section.

5.4.6. The provisions of this Section shall survive the Close of Escrow and shall remain valid, binding, and enforceable for a period of ten (10) years following the Close of Escrow. District acknowledges and agrees that this Section creates only a contractual payment right and does not create any lien, encumbrance, covenant running with the land, restriction on transfer, or other property interest affecting the District Property.

5.5. Brokerage Commissions. Each Party represents and warrants to the other that it has not engaged, dealt with, or been represented by any real estate broker, finder, or other intermediary in connection with the negotiation or consummation of this Agreement or the transaction contemplated herein. Each Party agrees to indemnify, defend, and hold harmless the other Party and its officers, directors, employees, and agents from and against any and all claims, demands, liabilities, damages, losses, costs, and expenses (including, without limitation, reasonable attorneys' fees) arising out of or related to any claim for a commission, fee, or other compensation asserted by any broker, finder, or intermediary claiming by, through, or under the indemnifying Party.

6. DEFAULT.

6.1. In the event City defaults under any of the terms and provisions of this Agreement (after expiration of the applicable notice and cure period), District shall have the right, but not the obligation, in addition to any other rights or remedies which it may have at law or in equity, to either: (i) terminate this Agreement and the Escrow created hereby, in which event District shall be entitled to the immediate refund of any other funds deposited by District into Escrow or released to City for or related to the City Property, and thereafter neither Party will have any further rights or obligations hereunder except those which are expressly stated to survive such termination, or

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(ii) pursue the right of specific performance to obtain the City Property in accordance with the terms and conditions of this Agreement, which includes the requirement to pay to City the City Property Price.

6.2. Liquidated Damages. BOTH PARTIES ACKNOWLEDGE AND AGREE THAT DAMAGES THE DISTRICT MAY SUSTAIN AS A RESULT OF ANY SUCH DEFAULT WILL BE EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN. ACCORDINGLY, IN THE EVENT OF A DEFAULT BY CITY FOLLOWING THE EXPIRATION OF ANY APPLICABLE NOTICE AND CURE PERIOD, DISTRICT'S SOLE MONETARY REMEDY SHALL BE RECOVERY OF ITS ACTUAL OUT-OF-POCKET THIRD-PARTY COSTS AND EXPENSES INCURRED IN CONNECTION WITH THIS TRANSACTION, NOT TO EXCEED TEN THOUSAND DOLLARS ($10,000) IN THE AGGREGATE ("LIQUIDATED DAMAGES AMOUNT"). THE PARTIES HEREBY AGREE THAT THE LIQUIDATED DAMAGES AMOUNT REPRESENTS THE PARTIES' BEST AND MOST ACCURATE ESTIMATE OF THE DAMAGES DISTRICT WOULD SUFFER IN SUCH EVENT AND THAT SUCH ESTIMATE IS REASONABLE UNDER THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT. IF THIS AGREEMENT IS TERMINATED FOLLOWING SUCH A DEFAULT BY CITY, THE PARTIES SHALL THEREAFTER BE RELIEVED OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER EXCEPT THOSE EXPRESSLY STATED TO SURVIVE TERMINATION. CITY AND DISTRICT AGREE THAT DISTRICT'S RIGHT TO RECOVER THE LIQUIDATED DAMAGES AMOUNT SHALL BE DISTRICT'S SOLE AND EXCLUSIVE MONETARY REMEDY AT LAW IN THE EVENT OF SUCH A DEFAULT BY CITY UNDER THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE §§ 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES UNDER CALIFORNIA CIVIL CODE §§ 1671, 1676, AND 1677. THE DISTRICT WAIVES ANY RIGHT TO SEEK, CLAIM, OR OBTAIN PUNITIVE DAMAGES OR SPECIAL, CONSEQUENTIAL, OR SPECULATIVE DAMAGES FOR SUCH A BREACH BY CITY. NOTHING IN THIS AGREEMENT SHALL BE DEEMED TO LIMIT CITY'S LIABILITY TO DISTRICT UNDER THE INDEMNIFICATION PROVISION(S) OF THIS AGREEMENT OR FOR ATTORNEYS' FEES AND COSTS AS PROVIDED IN SECTION 7.2.

6.3. District's Default. In the event District shall default under any of the terms and provisions of this Agreement (after expiration of the applicable notice and cure period set forth in Section 4), City shall have the right, but not the obligation, in addition to any other rights or remedies which it may have at law or in equity, to either: (i) terminate this Agreement and the Escrow created hereby, in which City shall be entitled to the immediate refund of any other funds deposited by City into Escrow or released to District for or related to the District Property, and thereafter neither Party will have any further rights or obligations hereunder except those which are expressly stated to survive such termination, or (ii) pursue the right of specific performance to obtain the District Property in accordance with the terms and conditions of this Agreement, which includes the requirement to pay to District the District Property Price.

7. MISCELLANEOUS.

7.1. Costs of Conveyance. All costs related to the Parties' due diligence inspections and testing, and production of and/or reproduction of the Due Diligence Materials shall be the sole responsibility of the Party expending such costs.

7.2. Attorneys' Fees; Litigation. In the event either Party to this Agreement should default under any of the provisions hereof, and the non-defaulting Party should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting Party herein contained, the defaulting Party agrees that it will on demand therefor pay to the non-defaulting Party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting Party.

7.3. Notices. All notices required to be delivered under this Agreement to the other Party must be in writing and shall be effective: (i) when personally delivered by the other Party or messenger or courier thereof; (ii) three (3) business days after deposit in the United States mail, registered or certified; (iii) twenty-four (24) hours after deposit before the daily deadline time with a reputable overnight courier or service; or (iv) upon receipt of an electronic mail transmission, provided a hard copy of such transmission shall be thereafter delivered in one of the methods described in the foregoing (i) through (iii); in each case postage fully prepaid and addressed to the respective Parties as set forth below or to such other address and to such other persons as the Parties may hereafter designate by written notice to the other Party hereto:

To District:	Ontario-Montclair School District Chief Business Official Phil Hillman, CPA 950 West D Street Ontario, CA 91762 Email: phil.hillman@omsd.net
With copy to:	Orbach Huff & Henderson, LLP Sarine A. Abrahamian, Partner 1901 Avenue of the Stars, Suite 575 Los Angeles, CA 90067 Email: sabrahamian@ohhlegal.com
To City:	City of Ontario Scott Ochoa, City Manager 303 East B Street Ontario, CA 91764 Email:
With copy to:	Best Best & Krieger, LLP Todd Gee, City Attorney 500 Capitol Mall, Suite 2500 Sacramento, CA 95814 Email: todd.gee@bbklaw.com

The Parties, by notice given hereunder, may designate different addresses to which subsequent notices, certificates, or other communications will be sent.

7.4. Authority. The person(s) executing this Agreement on behalf of the Parties hereto warrant that: (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party

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is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which said Party is bound.

7.5. Execution in Counterpart/Electronic Signatures. This Agreement may be executed in multiple counterparts, shall be deemed to be an original and all of which together shall constitute one document. A copy of this Agreement executed and delivered by electronic mail in ".pdf" format, or any electronic signature complying with the California Uniform Electronic Transactions Act (Civ. Code, § 1633.1 et seq.) and the U.S. federal ESIGN Act of 2000 (e.g., www.docusign.com) will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement and shall be admissible into evidence as an original hereof to prove the contents hereof.

7.6. Assignment. City shall not assign this Agreement or any right or privilege City might have under this Agreement without the prior written consent of District, which consent shall not be unreasonably withheld, provided that the assignee agrees in a written notice to District to carry out and observe each of City's obligations hereunder, including all Exhibits hereto. District shall not assign this Agreement or any right or privilege District might have under this Agreement without the prior written consent of City, which consent shall not be unreasonably withheld, provided that the assignee agrees in a written notice to City to carry out and observe each of District's obligations hereunder, including all Exhibits hereto.

7.7. Third Party Beneficiaries. Nothing in this Agreement shall be construed to confer any rights upon any party not signatory to this Agreement.

7.8. Binding on Heirs. This Agreement shall be binding upon the Parties hereto and their respective heirs, representatives, transferees, successors, and assigns.

7.9. Time of the Essence. Time is of the essence with respect to each of the terms, covenants, and conditions of this Agreement.

7.10. Condemnation. In the event the District Property is taken, in whole or in part, or designated to be taken by condemnation proceedings other than condemnation proceedings instigated by District, or proceedings in lieu thereof, prior to the Close of Escrow, City shall have the right to terminate this Agreement and cancel Escrow by delivering to District and Escrow Holder written notice thereof.

7.11. Entire Agreement, Waivers and Amendments. This Agreement and any written agreement entered into by the Parties with respect to the Property, incorporate all of the terms and conditions mentioned herein, or incidental hereto, and supersede all negotiations and previous agreements between the Parties with respect to all or part of the subject matter thereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Party to be charged. Any amendment or modification to this Agreement must be in writing and executed by both Parties.

7.12. Exhibits. The Exhibits attached to this Agreement are incorporated herein by this reference and made a part hereof. Said Exhibits are identified as follows:

"A"	DESCRIPTION OF DISTRICT PROPERTY
"B"	DESCRIPTION OF CITY PROPERTY
"C"	DEPICTION OF CITY PARKING GARAGE
"D"	DISTRICT PARKING LICENSE
"E"	EXCLUDED PORTION OF CITY PROPERTY FROM EXCHANGE
"F"	ENTRY LICENSE AGREEMENT
"G"	GRANT DEED – CITY PROPERTY
"H"	NON-FOREIGN AFFIDAVIT – CITY PROPERTY
"I"	GRANT DEED – DISTRICT PROPERTY
"J"	PUBLIC AGENCY CERTIFICATE OF ACCEPTANCE – DISTRICT
"K"	NON-FOREIGN AFFIDAVIT – DISTRICT PROPERTY

7.13. Effect of Recitals. The Recitals above are deemed true and correct and are hereby incorporated into this Section as though fully set forth herein, and the Parties acknowledge and agree that they are each bound by same.

7.14. Section References. Any reference to any section of this Agreement cited without a decimal includes all sections following the cited section. For example, a reference to Section 5 includes 5.1, 5.1(a) et seq.

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

7.16. Interpretation; Governing Law. This Agreement shall be construed according to its fair meaning and as if prepared by both Parties hereto. This Agreement shall be construed in accordance with the laws of the State of California, in effect on the Effective Date, with venue in San Bernardino County.

7.17. Covenants to Survive Escrow. The covenants and agreements contained in this Agreement shall survive the Close of Escrow, but only to the extent such survival is expressly provided herein or is necessary to give effect to obligations that by their nature are intended to survive Closing.

7.18. Conflicts of Interest. No director, officer, official, representative, agent, or employee of District or City shall have any financial interest, direct or indirect, in this Agreement.

7.19. Nondiscrimination. There shall be no discrimination by the Parties against any person on account of race, color, religion, sex, marital status, national origin, or ancestry in the performance of their respective obligations under this Agreement.

7.20. Rights and Remedies Are Cumulative. Except as may be otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of its rights or remedies shall not preclude the exercise by it, at the same time or at different times, of any other rights or remedies for the same default or any other default by another Party.

7.21. Provisions Required by Law Deemed Inserted. Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein

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and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon application of either Party the Agreement shall forthwith be physically amended to make such insertion or correction. The foregoing shall not be read in a manner which works to strike or modify a negotiated term of this Agreement.

7.22. Force Majeure/Litigation. If either Party is delayed at any time in meeting its obligations under this Agreement by any act or neglect of the other Party, or its architect, or by any agent or employee of either, or by any separate contractor of either Party, or by changes ordered or approved by the other Party, or by labor disputes, governmental and/or quasi-governmental processing or approval delays, fire, unusual delay in transportation, adverse weather conditions not reasonably foreseeable, unavoidable casualties, pandemic, epidemic, or any causes beyond the Party's reasonable control, or by delay authorized by either Party pending arbitration, or by any other cause (other than the Party's financial inability to perform) (each, a "**Force Majeure**" delay), then the time for completion shall be extended for such reasonable time as may compensate for such occurrences. Any claim for extension of time shall be made in writing by the affected Party not more than twenty (20) days after the delay is discovered; otherwise, delays incurred prior to delivery of such claim shall be waived. In the case of a continuing delay, only one (1) claim is necessary.

7.23. Cooperation. The Parties acknowledge that it may be necessary to execute documents other than those specifically referred to herein in order to complete the exchange of the District Property and City Property and/or to accomplish the objectives and requirements that are set out in this Agreement. Both Parties hereby agree to cooperate with each other by executing such other documents or taking such other actions as may be reasonably necessary to complete this transaction in accordance with the intent of the Parties as evidenced in this Agreement and attached Exhibits hereto.

[Signatures Immediately on Next Page]

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized officers, as of the Effective Date.

DISTRICT:	**CITY:**
ONTARIO-MONTCLAIR SCHOOL DISTRICT a public school district duly organized and validly existing under the Constitution and laws of the State of California By: _____ Name: _____ Its: _____	CITY OF ONTARIO, a California municipal corporation By: _____ Name: _____ Its: _____
	APPROVED AS TO FORM: BEST BEST & KRIEGER LLP By: _____ Ruben Duran City Attorney

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EXHIBIT "A"

Legal Description of District Property

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "B"

Legal Description of City Property

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "C"

Depiction of City Parking Garage

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "D"

District Parking License

PARKING LICENSE AGREEMENT

This PARKING LICENSE AGREEMENT ("Agreement") is entered into this _____ day of _____ 2026 ("Effective Date"), by and between the CITY OF ONTARIO, a California general law city and municipal corporation ("City"), and the ONTARIO-MONTCLAIR SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and laws of the State of California ("District"). City and District may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, City is a municipal corporation duly organized under the California Constitution and laws of the State of California;

WHEREAS, City and District entered into that certain Exchange Agreement and Joint Escrow Instructions, dated as of _____, 2026 ("Exchange Agreement");

WHEREAS, City is developing a multi-level parking structure consisting of approximately _____ [description], located at _____ [address] (APN _____) ("Parking Structure"), as more particularly described in Exhibit A; and

WHEREAS, as part of the consideration for the City Property, as defined in the Exchange Agreement, City desires to grant District a limited, personal license to use up to two hundred (200) parking spaces in the Parking Structure, subject to the terms, restrictions, and operating-expense obligations set forth in this Agreement.

NOW, THEREFORE, based on the foregoing recitals, the Parties agree as follows:

AGREEMENT

1. Grant of License

1.1. Subject to the terms and conditions of this Agreement, City grants District a limited, nonexclusive, personal contractual license to use up to two hundred (200) parking spaces at any one time in locations designated by City within the Parking Structure for use by District's employees, students, contractors, invitees, and visitors in connection with District's operations, programs, and events (collectively, the "District Use"). City may designate and relocate the spaces made available for the District Use from time to time, provided that City continues to make available up to two hundred (200) parking spaces within the Parking Structure. The license commences on the Effective Date and expires [on the date that is _____ years after the Effective Date], unless earlier terminated in accordance with this Agreement (the "Term"). Any extension or renewal of the Term must be set forth in a written amendment approved and executed by both Parties. District acknowledges that this Agreement does not grant District exclusive possession or control of any portion of the Parking Structure. City retains possession,

dominion, and control of the Parking Structure and may enter, inspect, operate, manage, maintain, repair, alter, improve, regulate, or temporarily close all or any portion of the Parking Structure. City may permit other persons to use the Parking Structure, provided that City makes the required number of spaces available for the District Use.

1.2. District shall not modify or change the Parking Structure without the prior written consent of City. District shall not install any improvement, fixture, sign, equipment, or other property in or on the Parking Structure without City's prior written consent, which City may grant, condition, or withhold in its discretion. District shall keep the Parking Structure free and clear of any mechanic's or materialmen's liens directly arising out of the exercise of District's rights under this Agreement; provided, however, District shall have no obligation with respect to any mechanic's or materialmen's liens caused by the acts or omissions of City.

1.3. The license granted under this Agreement is personal to District. District shall not sell, assign, transfer, convey, sublicense, encumber, pledge, or otherwise dispose of this Agreement or any right granted under this Agreement, whether for consideration or otherwise, and any attempted sale, assignment, transfer, conveyance, sublicense, encumbrance, pledge, or other disposition is void. District shall not market, advertise, or otherwise offer any such right for sale, transfer, or other disposition to any third party. No successor to District's ownership or use of the City Property acquires any right under this Agreement unless City expressly agrees otherwise in a written amendment approved and executed by City.

1.4. No license is granted under this Agreement for use of the Parking Structure for any purpose other than in connection with the District Use. District shall comply with all reasonable rules, regulations, parking-control measures, hours of operation, access procedures, and safety requirements established by City from time to time for the Parking Structure. This Agreement creates only a contractual privilege to use parking spaces and does not create a leasehold, tenancy, easement, possessory interest, real property interest, or other estate in land.

2. **Compensation and Operating Expenses [USE IF COMPENSATION FREE LICENSE CREATES UNEVEN EXCHANGE]**

2.1. Compensation. The Parties acknowledge that the license granted under this Agreement constitutes part of the consideration provided by City under the Exchange Agreement. [Except for District's obligation to pay the District Share of Operating Expenses under this Section 2, District shall not be required to pay a separate license fee][**ADD LICENSE FEE IF NECESSARY TO PRESERVE EVEN EXCHANGE**].

2.2. [Operating Expenses. During the Term, District shall pay its proportionate share of the Operating Expenses incurred by City in connection with the operation and maintenance of the Parking Structure. "District Share" means a fraction, expressed as a percentage, the numerator of which is two hundred (200) and the denominator of which is the total number of parking spaces in the Parking Structure during the applicable period. If the total number of parking spaces changes, the District Share shall be adjusted prospectively as of the date of the change. "Operating Expenses" means the actual, reasonable, and documented costs incurred by City to operate, maintain, repair, clean, light, secure, manage, and administer the Parking Structure, including costs for utilities,

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routine maintenance and repairs, janitorial services, security services, parking-control systems, striping, signage, insurance attributable to the Parking Structure, and governmental fees and assessments relating to the operation of the Parking Structure. Operating Expenses shall not include: (a) debt service or financing costs; (b) depreciation or amortization; (c) the original costs of designing or constructing the Parking Structure; (d) capital improvements, structural replacements, or additions to the Parking Structure, except as otherwise agreed by the Parties in writing; (e) costs reimbursed by insurance or another third party; (f) penalties, fines, or interest resulting from City's failure to timely perform an obligation; or (g) costs arising from City's gross negligence or willful misconduct].

2.3. [Payment and Reconciliation. City shall invoice District quarterly for the District Share of Operating Expenses. Each invoice shall include reasonable supporting detail regarding the Operating Expenses included in the invoice and the calculation of the District Share. District shall pay each undisputed invoice within thirty (30) days after receipt. Within one hundred twenty (120) days after the end of each fiscal year, City shall provide District with a reconciliation of the actual Operating Expenses incurred during the preceding fiscal year, the District Share of those Operating Expenses, the amounts previously paid by District, and any resulting balance or credit. District shall pay any balance within thirty (30) days after receipt of the reconciliation. City shall apply any credit against the next amount due from District or, following expiration or termination of this Agreement, refund the credit to District.]

3. **City Control of Parking Structure.** City shall retain possession, dominion, and control of the Parking Structure at all times. City shall have the sole right to operate, manage, maintain, repair, alter, improve, regulate, and control the Parking Structure and may establish and modify reasonable rules, regulations, hours of operation, access procedures, parking-control measures, and safety requirements applicable to its use. City may temporarily close, restrict access to, or suspend use of any portion of the Parking Structure when reasonably necessary for maintenance, repairs, construction, emergencies, public safety, special events, or governmental operations. When reasonably practicable, City shall provide District advance notice of any planned closure or material restriction and shall use reasonable efforts to make other spaces within the Parking Structure available for the District Use. City may relocate the spaces made available for the District Use from time to time, provided that City continues to make available up to two hundred (200) parking spaces within the Parking Structure. No temporary interruption, restriction, closure, or relocation permitted under this Section shall constitute an eviction, constructive eviction, interference with possession, or breach of any covenant of quiet enjoyment.

4. **Books and Records.** City shall maintain books and records reasonably sufficient to substantiate the Operating Expenses charged to District under Section 2 for a period of not fewer than four (4) years after the end of the applicable fiscal year. Upon not fewer than ten (10) business days' prior written notice, District may inspect those books and records during City's regular business hours, not more than once with respect to any fiscal year. Any inspection shall be conducted at District's expense and in a manner that does not unreasonably interfere with City's operations.

5. **Rights.** District agrees that the Parking Structure is, and shall remain, the property of City and that District obtains no right, title, or interest in or to the Parking Structure except for the limited rights to use the Parking Structure as set forth in this Agreement. The rights granted to

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District under this Agreement are personal contractual rights only and do not constitute or create a lease, tenancy, easement, covenant running with the land, possessory interest, ownership interest, or other estate or interest in real property. District shall have no right to exclude City or any person authorized by City from any portion of the Parking Structure and shall have no right to control the operation, management, maintenance, repair, alteration, improvement, or regulation of the Parking Structure. This Agreement shall not run with the land and shall not be recorded. Neither Party shall record this Agreement or any memorandum, notice, or other instrument relating to this Agreement without the other Party's prior written consent. District shall not, during the Term or at any time thereafter, dispute or contest, directly or indirectly, City's ownership of the Parking Structure, nor shall District assist or aid others in doing so.

6. **Licensee's Indemnification and Insurance**

6.1. Indemnification. To the fullest extent permitted by law, each Party shall defend, with counsel reasonably acceptable to the indemnified Party, indemnify, and hold harmless the other Party and its officers, officials, directors, members, managers, partners, shareholders, employees, agents, representatives, successors, and assigns (collectively, "Indemnified Parties") from and against any and all claims, demands, actions, causes of action, liabilities, losses, damages, judgments, fines, penalties, costs, and expenses, including reasonable attorneys' fees and costs of investigation (collectively, "Claims"), arising out of or relating to the indemnifying Party's use or occupancy of the Parking Structure, except to the extent caused by the gross negligence or willful misconduct of the indemnified Party. This indemnity includes Claims for injury to or death of persons, damage to or loss of property, and Claims arising under applicable laws, including the Americans with Disabilities Act. The obligations of this Section shall survive expiration or termination of this Agreement.

6.2. Insurance. During the Term, each Party shall procure and maintain, at its sole cost and expense, the following insurance coverages: (a) Commercial General Liability Insurance (occurrence form, ISO CG 00 01 or equivalent) covering bodily injury, personal and advertising injury, and property damage, including contractual liability, products/completed operations, and premises/operations, with limits of not less than $1,000,000 per occurrence and $2,000,000 general aggregate; (b) Automobile Liability Insurance covering all owned, non-owned, and hired vehicles with a combined single limit of not less than $1,000,000 per accident; and (c) Workers' Compensation Insurance as required by California law and Employer's Liability Insurance with limits of not less than $1,000,000 per accident or disease.

6.2.1. The Commercial General Liability and Automobile Liability policies shall name the other Party and its officers, officials, directors, members, managers, partners, shareholders, employees, and agents as additional insureds using ISO forms CG 20 10 and CG 20 37, or equivalent forms. Such insurance shall be primary and non-contributory with respect to any insurance maintained by the other Party. The Parties waive all rights of subrogation against each other and the Indemnified Parties and shall cause their insurers to do the same.

6.2.2. The required coverage may be provided through a licensed insurance carrier authorized to do business in the State of California and having an A.M. Best rating of not less than A-:VII or through a Joint Powers Authority or other self-insurance

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or risk-sharing program authorized by applicable law, provided that the coverage affords protection substantially comparable to that required under this Agreement.

6.2.3. Failure to maintain the required insurance shall constitute a material breach of this Agreement. The insurance requirements set forth in this Agreement shall not limit the Parties' indemnity obligations under this Agreement.

7. **City's Warranty.** City represents and warrants to District that it has the power and authority to enter into and perform this Agreement. Should any third party assert a claim, demand, or cause of action against District contesting City's ownership of the Parking Structure in relation to District's use of the Parking Structure under this Agreement, City shall have the option to undertake and conduct the defense of the claim, demand, or cause of action. District may, but is not obligated to, join in the defense and be represented by its own legal counsel at District's expense. District may consult with City concerning disposition of the action, but City shall have the sole and final decision concerning disposition of any action involving the Parking Structure. City may, in its discretion, institute and prosecute actions against third persons for unauthorized use of the Parking Structure. Any such action shall be prosecuted solely at City's cost and expense, and all sums recovered, whether by judgment, settlement, or otherwise, shall be retained solely by City. Upon City's request, District shall reasonably cooperate in any such action, and City shall reimburse District for its reasonable expenses incurred as a result of that cooperation.

8. **Licensee's Warranty.** District represents and warrants to City that: (a) District is a public school district duly organized and validly existing under the Constitution and laws of the State of California; (b) District has full power and authority to execute, deliver, and perform its obligations under this Agreement; (c) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary action of District's governing board and do not require any further approval or consent; (d) the individual executing this Agreement on behalf of District is duly authorized to bind District; (e) this Agreement constitutes a valid and binding obligation of District, enforceable against District in accordance with its terms; and (f) District's execution, delivery, and performance of this Agreement do not violate District's governing documents, any applicable law, or any agreement or obligation binding upon District.

9. **No Partnership, Tenancy, or Real Property Interest.** This Agreement does not constitute and shall not be construed as constituting a partnership, agency, or joint venture between the Parties. Nothing contained in this Agreement creates a landlord-tenant relationship, grants District exclusive possession of any portion of the Parking Structure, or gives District any estate or interest in real property. District shall have no right to obligate or bind City in any manner whatsoever, and nothing contained in this Agreement gives or is intended to give any right of any kind to any third party.

10. **No Assignment.** Without limiting Section 1.3, the license granted under this Agreement is personal to District and shall not be assignable by any action of District or by operation of law, and any attempted assignment shall be void. No purchaser, successor, transferee, tenant, occupant, or other person claiming through District shall acquire any right under this Agreement. This Agreement shall not run with the land or inure to the benefit of any successor to District's ownership or use of any property. City may assign this Agreement to a successor public owner or operator of the Parking Structure, provided that the successor assumes City's obligations under this Agreement.

11. **Termination**

11.1. Termination for Cause. Either Party may terminate this Agreement for cause by written notice describing the alleged default in reasonable detail. Except as otherwise provided in this Section, the defaulting Party shall have thirty (30) days after receipt of the notice to cure the default. If the default cannot reasonably be cured within thirty (30) days, the defaulting Party shall not be in default if it commences the cure within that period and thereafter diligently completes the cure. Cause includes: (a) a material breach of this Agreement that is not timely cured in accordance with this Section; (b) conduct by a Party that creates an imminent and material risk of personal injury or property damage; (c) District's failure to pay an undisputed amount due under Section 2 within thirty (30) days after receipt of written notice of nonpayment; or (d) District's attempted sale, assignment, transfer, conveyance, sublicense, encumbrance, pledge, or other disposition of this Agreement or any right granted under this Agreement. City may immediately suspend District's use of all or any portion of the Parking Structure to the extent reasonably necessary to address an emergency, an imminent threat to health or safety, unlawful conduct, or material interference with operation of the Parking Structure. Any suspension under this Section shall not waive City's right to terminate this Agreement or exercise any other available remedy.

11.2. Termination by District. District may terminate this Agreement without cause upon not fewer than ninety (90) days' prior written notice to City. District shall remain responsible for the District Share of Operating Expenses incurred through the effective date of termination.

11.3. Effect of Expiration or Termination. Upon expiration or termination of this Agreement, District shall immediately discontinue use of the Parking Structure, remove any property installed or placed by District with City's approval, repair any damage caused by that removal, and pay all amounts accrued through the effective date of expiration or termination. Upon expiration of this Agreement at the end of the Term or termination of this Agreement by District without cause under Section 11.2, District shall not be entitled to compensation for the loss of any remaining or future parking rights and shall be deemed to have waived the value of those rights. Nothing in this Section 11.3 limits any right or remedy available to District arising from City's breach of this Agreement or any termination of this Agreement resulting from City's breach.

12. **Notice.** Whenever notice is required under this Agreement, it shall be deemed good and sufficient notice if in writing, signed by an officer or authorized agent of the Party giving notice, and sent by electronic mail or mailed to the other Party at the following addresses:

TO DISTRICT:
Ontario-Montclair School District
950 West D Street
Ontario, CA 91762
Attn: Phil Hillman, CPA
Email: phil.hillman@omsd.net

With copy to:
Orbach Huff & Henderson, LLP
1901 Avenue of the Stars, Suite 575

TO CITY:
City of Ontario
303 B Street
Ontario, CA 91764
Attn: City Manager

With copy to:
Best Best & Krieger LLP
2855 East Guasti Road, Suite 400
Ontario, CA 91761

Los Angeles, CA 90067
Attn: Sarine A. Abrahamian, Esq.
Email: sabrahamian@ohhlegal.com

Attn: Ruben Duran, Esq.
Email: _____

13. **Severability.** If any term or provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, that holding shall not affect any remaining term or provision, which shall continue in effect to the fullest extent permitted by law.

14. **Miscellaneous Provisions**

14.1. Entire Agreement. This Agreement contains the entire understanding of the Parties concerning its subject matter. There are no representations, warranties, promises, covenants, or understandings concerning its subject matter other than those contained in this Agreement and the Exchange Agreement.

14.2. Governing Law. This Agreement shall be governed by the laws of the State of California, without regard to choice-of-law provisions.

14.3. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together constitute one agreement. This Agreement may be signed by DocuSign or a similar recognized electronic or digital verified document-execution platform, and faxed, photocopied, scanned, emailed, or similarly transmitted or reproduced copies of signatures shall have the same force and effect as original signatures for all purposes.

14.4. Waiver. No waiver of any provision of this Agreement shall be deemed or constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

[Signatures follow on next page]

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CITY OF ONTARIO

By: Scott Ochoa, City Manager

ATTEST:

Sheila Mautz, City Clerk

APPROVED AS TO FORM:

Ruben Duran, City Attorney

ONTARIO-MONTCLAIR SCHOOL DISTRICT

By: Phil Hillman, CPA

Sarine A. Abrahamian, Esq.

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EXHIBIT A
DEPICTION AND DESCRIPTION
OF PARKING STRUCTURE

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "E"

Excluded Portion of City Property from Exchange

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "F"

Right of Entry Agreement

This Right of Entry Agreement ("Agreement") is made and entered into on this _____ day of _____, 2026, by and between _____ ("Licensor") and _____ ("Licensee"), to grant Licensee permission under certain terms and conditions to enter Licensor's real property as described below.

Licensor and Licensee agree as follows:

Section 1. Recitals. This Agreement is made and entered into with respect to the following facts:

(a) Licensor holds title interest to that certain real property located at (Street Address, [APN:]) in the City of Ontario, California, and legally described in Exhibit "A" attached hereto and incorporated herein by reference ("Property").

(b) Licensee and Licensee's consultants, agents, contractors and representatives require access to enter the Property for the purpose of conducting due diligence and investigating the Property, including, without limitation conducting building inspections, environmental assessments and testing, surveying and examining books and records kept on site (the "Investigations").

(c) The parties wish to enter into this Agreement whereby Licensor will allow Licensee to enter onto the Property, on a temporary basis, for the purposes of carrying out the Investigations.

Section 2. Grant of Permission. Licensor hereby grants to Licensee and to Licensee's officials, employees, agents, consultants and contractors ("Licensee Designees") permission to enter onto and over and to use the Property as needed for the purpose of carrying out the Investigations.

Section 3. Condition of Property. Licensee will comply with, and will cause all Licensee Designees entering upon the Property pursuant to this Agreement to comply with, all applicable governmental laws and regulations concerning the work to be performed by the Licensee. Licensor understands that Licensee may disturb private improvements and landscaping during the course of its work, which private improvements and landscaping will be restored at the conclusion of the Investigations.

Section 4. Term. The term of this Agreement shall commence upon Licensee's first entry onto the Property, which is expected to occur in or around _____ 2026. Licensee will provide Licensor with reasonable advance notice of such first entry. The rights and obligations provided in this Agreement shall terminate at the close of the 60th day following the date of commencement unless otherwise extended by further agreement of the parties.

Section 5. Authority to Enter into Right of Entry. Licensor hereby warrants that it is the owner of the Property and that the undersigned is authorized to grant Licensee permission to enter onto the Property for the use specified in this Agreement.

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Section 6. Termination. This Agreement may be terminated at any time by Licensee.

Section 7. Modification. This Agreement shall not be modified except by written agreement of the parties.

Section 8. Incorporation of Recitals. The Recitals set forth above are true and correct and are incorporated into this Right of Entry by this reference.

Section 9. Attorneys' Fees, Governing Law. In the event of a dispute between the parties with respect to the terms or conditions of this Agreement, the prevailing party shall be entitled to collect from the other its reasonable attorneys' fees as established by the judge or arbitrator presiding over such dispute. This Agreement shall be governed by the laws of the State of California.

Section 10. Legal Representation. The parties, and each of them, acknowledge that in connection with the negotiation and execution of this Agreement, they have each had the opportunity to be represented by independent counsel of their own choosing and the parties executed the Agreement after review by such independent counsel, or, if they were not so represented, said non-representation is and was the voluntary, intelligent and informed decision and election of any of the parties not so represented; and, prior to executing this Agreement, each of the parties has had an adequate opportunity to conduct an independent investigation of all the facts and circumstances with respect to the matters that are the subject of this Agreement.

Section 11. Severability. If any part, term or provision of this Agreement is held by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining provisions will not be affected, and the rights and obligations of the parties will be construed and enforced as if this Agreement did not contain the particular part, term or provision held to be invalid.

[Signatures on following page]

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date as indicated beside each party's signature.

LICENSOR

By: _____

Date: _____

LICENSEE

By: _____

Date: _____

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Exhibit A to Right of Entry Agreement

Description / Depiction of Property

[to be attached]

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EXHIBIT "G"

City Property Grant Deed

Ontario-Montclair School District

Attn: Dr. James Q. Hammond, Superintendent

(Space Above For Recorder's Use)

The undersigned grantor(s) declare(s): This conveyance is exempt from the payment of a documentary transfer tax pursuant to Revenue and Taxation Code section 11922.	This document is being recorded for the benefit of the Ontario-Montclair School District and is exempt from the payment of a recordation fee pursuant to Gov. Code section 6103.

FORM OF GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the CITY OF ONTARIO, a municipal corporation duly organized and validly existing under the Constitution and the laws of the State of California, hereby grants to the ONTARIO-MONTCLAIR SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and the laws of the State of California, that certain real property located in the City of Ontario, County of San Bernardino, State of California, described in the legal description and depicted in the map attached hereto as **Exhibit "A"** and incorporated herein by this reference.

Dated: _____

[Insert Name/Signature Block of Grantor]

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EXHIBIT "1" TO GRANT DEED

Description of City Property

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "H"

Non-Foreign Affidavit

Section 1445 of the Internal Revenue Code provides that the transferee of an interest in real property located in the United States must withhold tax if the transferor is a foreign person. To inform the ONTARIO-MONTCLAIR SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and the laws of the State of California, ("**Transferee**"), that withholding of tax is not required upon the transfer by the CITY OF ONTARIO, a California municipal corporation ("**Transferor**") of its fee simple interest in that certain real property sold pursuant to the Exchange Agreement and Joint Escrow Instructions dated _____, 2026, which real property is described in the legal description and depicted in the map attached to this Agreement as Exhibit "A," and incorporated herein by this reference, the undersigned hereby certifies the following:

1. The Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and the income tax regulations promulgated thereunder);

2. The Transferor's United States Taxpayer Identification Numbers are _____;

3. The Transferor's office address is 303 E. B Street, Ontario, CA 91764; and

4. The Internal Revenue Service has not issued any notice with respect to Transferor or listed Transferor as a person whose affidavit may not be relied upon for purposes of Section 1445 of the Internal Revenue Code.

The Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

Under penalty of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I am the _____ of the Transferor, and that I have authority to sign this document on behalf of the Transferor.

Dated: _____

CITY OF ONTARIO
a California municipal corporation

By: _____
Its: _____

ATTEST:

By: _____
_____

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EXHIBIT "1" TO NON-FOREIGN AFFIDAVIT

Legal Description of City Property

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "I"

District Property Grant Deed

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

CITY OF ONTARIO
Attn: City Clerk
303 East B Street
Ontario, CA 91764

The undersigned grantor(s) declare(s):
This conveyance is exempt from the payment of a documentary transfer tax pursuant to Revenue and Taxation Code section 11922.

(Space Above For Recorder's Use)
This document is being recorded for the benefit of the City of Ontario and is exempt from the payment of a recordation fee pursuant to Gov. Code section 6103.

FORM OF GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the ONTARIO-MONTCLAIR SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and the laws of the State of California, hereby grants to the CITY OF ONTARIO, a municipal corporation duly organized and validly existing under the Constitution and the laws of the State of California, that certain real property located in the City of Ontario, County of San Bernardino, State of California, described in the legal description and depicted in the map attached hereto as **Exhibit "1,"** and incorporated herein by this reference.

Dated: _____

ONTARIO-MONTCLAIR SCHOOL DISTRICT
a public school district duly organized and validly existing under the Constitution and the laws of the State of California

By: _____
Its: _____

ATTEST:

By: _____
Clerk of the Governing Board of the
Ontario-Montclair School District

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EXHIBIT "1" TO GRANT DEED

Legal Description of District Property

(To be determined based on the information obtained from the preliminary title report after escrow is opened)

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EXHIBIT "J"

Public Agency Certificate of Acceptance

(Government Code Section 27281)

This is to certify that the interest in real property conveyed by the Grant Deed dated _____, from the CITY OF ONTARIO, a municipal corporation duly organized and validly existing under the Constitution and the laws of the State of California, to the ONTARIO-MONTCLAIR SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and the laws of the State of California, is hereby accepted by the undersigned officer on behalf of the ONTARIO-MONTCLAIR SCHOOL DISTRICT pursuant to authority conferred by the California Constitution and Board action dated _____, 2026, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

ONTARIO-MONTCLAIR SCHOOL DISTRICT

By: _____
Its: _____

ATTEST:

By: _____
Clerk of the Governing Board of the
Ontario-Montclair School District

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EXHIBIT "K"

Non-Foreign Affidavit

Section 1445 of the Internal Revenue Code provides that the transferee of an interest in real property located in the United States must withhold tax if the transferor is a foreign person. To inform the CITY OF ONTARIO, a municipal corporation duly organized and validly existing under the Constitution and the laws of the State of California ("**Transferee**"), that withholding of tax is not required upon the sale by ONTARIO-MONTCLAIR SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and the laws of the State of California ("**Transferor**"), of its fee simple interest in that certain real property sold pursuant to the Exchange Agreement and Joint Escrow Instructions dated _____, 2026 which real property is described in the legal description and depicted in the map attached to this Agreement as Exhibit "A," and incorporated herein by this reference, the undersigned hereby certifies the following:

1. The Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and the income tax regulations promulgated thereunder);

2. The Transferor's United States Taxpayer Identification Numbers are _____;

3. The Transferor's office address is _____; and

4. The Internal Revenue Service has not issued any notice with respect to Transferor or listed Transferor as persons whose affidavit may not be relied upon for purposes of Section 1445 of the Internal Revenue Code.

The Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

Under penalty of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I am the _____ of the Transferor, and that I have authority to sign this document on behalf of the Transferor.

Dated: _____

ONTARIO-MONTCLAIR SCHOOL DISTRICT
a public school district duly organized and validly existing under the Constitution and the laws of the State of California

By: _____
Its: _____

ATTEST:

By: _____
Clerk of the Governing Board of the
Ontario-Montclair School District

DRAFT

EXHIBIT "1" TO NON-FOREIGN AFFIDAVIT

Legal Description Of District Property

(To be inserted based on the information obtained from the preliminary title report after escrow is opened)

CITY OF ONTARIO *Agenda Report* **October 6, 2026**	**SECTION:** **PUBLIC HEARINGS**
Department: Economic Development Prepared By: Thailin Martin Department: Prepared By: Thailin Martin Staff Member Presenting: Jennifer McLain Hiramoto, Economic Development Director Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 11

SUBJECT: **A PUBLIC HEARING REGARDING A RESOLUTION APPROVING THE LIST OF PARTICIPATING DEALERS AND A RESOLUTION APPROVING A RESIDENT VEHICLE INCENTIVE PROGRAM (VIP), APPROVING THE TERMS AND PROVISIONS AS PROVIDED IN ITS PARTICIPATION AGREEMENT, APPROVING PROGRAM GUIDELINES, AND APPROVING AN ECONOMIC DEVELOPMENT SUBSIDY REPORT PURSUANT TO CALIFORNIA GOVERNMENT CODE 53083, AND MAKING RELATED FINDINGS**

RECOMMENDATION:

That the City Council take the following actions:

A. Adopt a Resolution approving the list of qualifying dealers in a Resident Vehicle Incentive Program (VIP); and
B. Adopt a Resolution approving the Participation Agreement, the Program Guidelines and, the Economic Development Subsidy Report.

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: Pursuant to the terms of the proposed Participation Agreement (Agreement), the economic development subsidy to Ontario residents is calculated at $500 per new purchased or leased vehicle and $250 per pre-owned purchased vehicle from a participating dealership, for an estimated annual subsidy of approximately $3.5 million and an estimated cumulative subsidy of approximately $35.0 million over the proposed 10-year term. An additional $50,000 per year will be budgeted for City marketing and administration of the Resident VIP.

Per the Economic Development Subsidy Report, the City anticipates that the program will generate $35 million over the 10-year term commencing upon the effective date of the Agreement, and the total amount of the expenditure of public funds as a result of the economic development subsidy

will not exceed $35 million over the 10-year term. General Fund appropriations will be included in a future quarterly budget update to the City Council as needed.

BACKGROUND & ANALYSIS: With the proposed sales tax measure set for the November 3, 2026, ballot, local dealerships have expressed concern that a citywide sales tax increase could lead to a decrease in the potential number of cars sold to residents. A City of Ontario Resident VIP has been developed to address the potential shift of local automotive purchases to outside jurisdictions. This represents a shifting in local revenues, as well as the loss of funds needed for vital City services, to outside jurisdictions, resulting in a negative impact on the City's local economy. To spur residents to continue to purchase from Ontario dealerships, the Resident VIP incentive is proposed.

The proposed Resident VIP is a buy-local economic development initiative designed to encourage City of Ontario residents to purchase or lease vehicles from participating franchised dealerships located within the City. The Resident VIP would provide a $500 rebate toward the qualifying purchase or lease of a new vehicle and $250 rebate toward the purchase of a qualifying pre-owned vehicle. The proposed Participation Agreement would commence on April 1, 2027, and end on March 31, 2037, for a ten-year term, with a formal review at the five-year mark. Pursuant to California Government Code Section 53083, the City will also hold a public hearing at the conclusion of the Program 10 year term. By encouraging local vehicle purchases, the Resident VIP is intended to protect the City’s Measure Q and proposed Measure H local transactions and use tax, support local automobile dealerships, and the jobs they provide, and preserve the revenues that help fund essential City services.

The Resident VIP is contingent upon voter approval of the proposed Half-cent Transaction and Use Tax Measure, Measure H, anticipated for the November 3, 2026, ballot and Measure Q remaining in place. Pursuant to California Government Code Section 53083, the City Council must conduct a noticed public hearing and review the attached Economic Development Subsidy Report before approving the Participation Agreement and establishing the Resident VIP.

Staff recommends adopting a Resolution approving list of qualifying dealers, and a Resolution approving the Participation Agreement, Program Guidelines, and Economic Development Subsidy Report to incentivize Ontario residents to continue to purchase or lease from participating franchised dealerships located within the City of Ontario, contingent upon voter approval of Measure H, and Measure Q remaining in place.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A LIST OF ELIGIBLE DEALERS IN A RESIDENT VEHICLE INCENTIVE PROGRAM, AND MAKING RELATED FINDINGS.

WHEREAS, the City of Ontario ("City"), a municipal corporation organized and existing under the laws of the State of California, desires to implement a Resident Vehicle Incentive Program ("VIP" or the "Program") with the franchised vehicle dealers in Exhibit A, corporations of the states identified therein and auto dealerships located in the City of Ontario ("City"), whereby the City shall provide a rebate to eligible City of Ontario residents for the purchase or lease of a new vehicle, or purchase of a pre-owned vehicle, from a participating franchised vehicle dealership located in the City of Ontario; and

WHEREAS, the City seeks to establish the eligibility of the franchised vehicle dealers in Exhibit A for participation in a Resident VIP, by such dealers being located in the City of Ontario and holding a valid City business license; being in good standing with respective manufacturers and the Inland Empire Automobile Dealers Association, and having no unresolved code violations or legal or administrative proceedings with the City; and

WHEREAS, maintaining such eligibility requirements are intended to promote investment in the local economy, encourage job creation and retention, incentivize residents to shop local, and maintain a strong retail sales base in the City; and

WHEREAS, maintaining such eligibility requirements are further intended to maintain a robust automotive sales base within the City that will generate substantial revenue for the City, to encourage vehicle purchases and leases within the City, and to avoid leakage of such transactions to other cities; and

WHEREAS, dealer eligibility is not indicative of actual participation in a Resident VIP and may change from time to time, such that a list of eligible dealers may accordingly be amended from time to time, independent of the terms and provisions of a Resident VIP; and

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

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

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by reference.

SECTION 2. Findings. The City Council hereby finds that:

(a) Each franchised vehicle dealer in Exhibit A is located in the City of Ontario and holds a valid City business license; is a successful auto dealership in good standing with its manufacturer and the Inland Empire Automobile Dealers Association; and has no unresolved code violations or legal or administrative proceedings with the City.

(b) Partnership with eligible dealers will serve the public purposes of developing the local economy, jobs, and City revenue, as described in the above recitals.

SECTION 3. CEQA Compliance. The City Council hereby finds that pursuant to the California Environmental Quality Act ("CEQA") (Pub. Res. Code, § 21000 et seq.) and the State CEQA Guidelines (Cal Code Regs, tit. 14 § 15000 et seq.), adoption of this resolution and approval of the List of Eligible Ontario Franchised Vehicle Dealers are each not a "project" for purposes of CEQA and therefore is not subject to CEQA review. Neither is a project pursuant to State CEQA Guidelines section 15378(b)(4), which states that governmental fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant environmental impact are not subject to CEQA. Further, neither is a project under State CEQA Guidelines section 15061(b)(3), which states that CEQA does not apply where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

In addition, the City Council will direct staff to file a categorical exemption with the County of San Bernardino for this location upon adoption of this Resolution.

SECTION 4. Approve List of Eligible Dealers. The City Council hereby approves the list of Eligible Dealers as provided in Exhibit A. The City Council hereby authorizes the City Manager, with the concurrence of the City Attorney, to take any additional steps necessary to facilitate the intent of this action.

SECTION 5. Implementation. The City Manager, or his or her designee, is hereby authorized to and directed to, on behalf of the City, execute and/or amend any and all documents in accordance with this Resolution and applicable law.

SECTION 6. CEQA Exemption. The City Manager, or his or her designee, is hereby authorized to and directed to, on behalf of the City, file a Notice of Exemption from the California Environmental Quality Act with the Clerk of the County of San Bernardino in accordance with this Resolution and applicable law.

SECTION 7. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 8. Certification. The City Clerk shall certify to the adoption of this Resolution.

SECTION 9. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 6th day of October 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST AND 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 October 6, 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 October 6, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

LIST OF ELIGIBLE ONTARIO FRANCHISED VEHICLE DEALERS

1. Kienle Motors Sports LLC, dba Audi Ontario, a California limited liability company and auto dealer located at 2272 Inland Empire Blvd., Ontario, CA 91764
2. PAG Ontario B1, Inc., dba BMW of Ontario, a Delaware corporation and auto dealer located at 1301 Auto Center Dr., Ontario, CA 91761
3. Citrus Motors Ontario, Inc., dba Citrus Motors Ford, a California corporation and auto dealer located at 3627 E. Tenandhaven Paseo, Ontario, CA 91761
4. Ontario L, LLC, dba Crown Lexus, a California limited liability company and auto dealer located at 1125 Kettering Dr., Ontario, CA 91761
5. Swickard Crown, LLC, dba Crown Toyota, a Delaware limited liability company and auto dealer located at 1201 Kettering Dr., Ontario, CA 91761
6. Oremor of Ontario EN, LLC, dba Empire Nissan, a California limited liability company and auto dealer located at 1377 Kettering Dr., Ontario, CA 91761
7. Rusnak/Ontario, a California corporation, dba Genesis of Ontario, and auto dealer located at 2100 Inland Empire Blvd., Ontario, CA 91764
8. Montclair Automotive Services, Inc., dba Infiniti of Ontario, a California corporation and auto dealer located at 2192 Inland Empire Blvd., Ontario, CA 91764
9. Oremor of Ontario JCDR,LLC, dba Jeep Chrysler Dodge RAM Fiat of Ontario, a California corporation and auto dealer located at 1202 Auto Center Dr., Ontario, CA 91761
10. Mark Christopher Chevrolet Inc., dba Mark Chrisotpher Auto Center, a Delaware corporation and auto dealer located at 2131 E. Convention Center Way, Ontario, CA 91764
11. Jones Ontario Acquisition, LLC, dba Mercedes-Benz of Ontario, a California limited liability company and auto dealer located at 3787 E. Guasti Rd., Ontario, CA 91761
12. PAG Ontario B1, Inc. dba MINI of Ontario, a Delaware corporation and auto dealer located at 1251 Auto Center Dr., Ontario, CA 91761
13. Romero Motors Corporation, dba Ontario Hyundai, a California corporation and auto dealer located at 1307 Kettering Dr., Ontario, CA 91761
14. Shayco, Inc., dba Ontario Volkswagen, a California corporation and auto dealer located at 701 Kettering Dr., Ontario, CA 91761
15. Ontario Automotive, LLC, dba Penske Honda Ontario, a California limited liability company and auto dealer located at 1401 Auto Center Dr., Ontario, CA 91761
16. Kienle Motors Sports LLC, dba Porsche Ontario, a California limited liability company and auto dealer located at 2262 Inland Empire Blvd., Ontario, CA 91764
17. Martin Saturn of Ontario, Inc., dba Subaru of Ontario and Ontario Mitsubishi, a Delaware corporation and auto dealer located at 1195 Auto Center Dr., Ontario, CA 91761
18. GNH, Inc., dba Volvo Cars Ontario, a California corporation and auto dealer located at 1300 Auto Center Dr., Ontario, CA 91761

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE TERMS AND PROVISIONS OF A RESIDENT VEHICLE INCENTIVE PROGRAM AS PROVIDED IN ITS PARTICIPATION AGREEMENT, APPROVING PROGRAM GUIDELINES, APPROVING AN ECONOMIC DEVELOPMENT SUBSIDY REPORT, AND MAKING RELATED FINDINGS.

WHEREAS, the City of Ontario ("City"), a municipal corporation organized and existing under the laws of the State of California, desires to implement a Resident Vehicle Incentive Program ("VIP" or the "Program") with franchised vehicle dealers located in the City of Ontario ("City"), whereby the City shall provide a rebate to eligible City of Ontario residents for the purchase or lease of a new vehicle, or purchase of a pre-owned vehicle, from a participating franchised vehicle dealership located in the City of Ontario; and

WHEREAS, the City maintains a 1% point-of-sale tax under Revenue and Taxation Code section 7200 et seq., currently implements a 1% transaction and use tax under section 7251 et seq. approved by Ontario residents in 2022 ("Measure Q"), and is proposing a .5% increase in the transaction and use tax for voter approval on November 3, 2026 ("Measure H"), to generate revenue to provide vital City services and support City growth and development; and

WHEREAS, the City has the regulatory authority to engage in economic development activities to promote investment in the local economy and build the local tax base, such as an economic development subsidy as defined and approved under Government Code section 53083, subject to public notice and hearing under section 53083(b); and

WHEREAS, the City has established Resident VIP Program Guidelines (Exhibit B) summarizing the terms and provisions of the Participation Agreement (Exhibit A) and the details of the economic development subsidy, to promote awareness and facilitate administration of the Program; and

WHEREAS, the City must issue a report for any economic development subsidy within the term of the subsidy, containing certain required information under Government Code section 53083(d), and has prepared such a report for future public notice and hearing within the subsidy term, under section 53083(e)(1); and

WHEREAS, to promote investment in the local economy, encourage job creation and retention, incentivize residents to shop local, and maintain a strong retail sales base in the City, the City intends to establish an economic development subsidy that will help counterbalance potential incidental effects of the proposed tax increase; and

WHEREAS, the City has determined that maintaining a robust automotive sales base within the City will generate substantial revenue for the City, and that rebates to residents on qualifying transactions will encourage vehicle purchases and leases within the City and will avoid leakage of such transactions to other cities; and

WHEREAS, establishing a Resident Vehicle Incentive Program issuing such rebates and entering into Participation Agreements with eligible Ontario vehicle dealerships will help achieve the foregoing City objectives, maintain both dealer and City revenues, and attract other types of businesses and investment to the community due to increased services and economic activity in the area; and

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

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

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by reference.

SECTION 2. Findings. The City Council hereby finds that:

(a) Establishing a Resident Vehicle Incentive Program and entering into Participation Agreements with Ontario franchised vehicle dealers will serve the following public purposes:

(1) Partnering with these City businesses on resident rebates for qualifying transactions will generate substantial revenue for the City, promote jobs, maintain economic diversity in the community, and stimulate the local economy.

(2) Entering into the Participation Agreements and supporting local auto sales transactions may attract other types of businesses and investment in the community due to increased services and economic activity in the area.

(b) Based on these and other public benefits, the public purposes of the Resident Vehicle Incentive Program and the Participation Agreements outweigh any private benefit to private persons or entities.

(c) Contingent Obligations. The City finds that each City obligation within each Participation Agreement is contingent upon continued participation of such agreement's franchised vehicle dealer in the Resident Vehicle Incentive Program, as well as Measure H being approved, and Measure Q and Measure H remaining in effect.

SECTION 3. CEQA Compliance. The City Council hereby finds that pursuant to the California Environmental Quality Act ("CEQA") (Pub. Res. Code, § 21000 et seq.) and the State CEQA Guidelines (Cal Code Regs, tit. 14 § 15000 et seq.), adoption of this resolution and approval of the Resident Vehicle Incentive Program, Program Guidelines, and Economic Development Subsidy Report (Exhibit C) are each not a "project" for purposes of CEQA and therefore is not subject to CEQA review. None of the foregoing is a project pursuant to State CEQA Guidelines section 15378(b)(4) which states that governmental fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant environmental impact are not subject to CEQA. Further, none of the foregoing is a project under State CEQA Guidelines section

15061(b)(3), which states that CEQA does not apply where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

In addition, the City Council will direct staff to file a categorical exemption with the County of San Bernardino for this location upon adoption of this Resolution.

SECTION 4. Approve Resident Vehicle Incentive Program. The City Council hereby approves the terms and provisions of the Resident Vehicle Incentive Program as provided under the Participation Agreement. The City Council hereby authorizes the City Manager, with the concurrence of the City Attorney, to implement the Resident Vehicle Incentive Program and to take any additional steps necessary to facilitate the intent of this action.

SECTION 5. Approve Program Guidelines. The City Council hereby approves the Program Guidelines for the Resident Vehicle Incentive Program. The City Council hereby authorizes the City Manager, with the concurrence of the City Attorney, to take any additional steps necessary to facilitate the intent of this action.

SECTION 6. Approve Economic Development Subsidy Report. The City Council hereby approves the Economic Development Subsidy Report for the Resident Vehicle Incentive Program. The City Council hereby authorizes the City Manager, with the concurrence of the City Attorney, to take any additional steps necessary to facilitate the intent of this action.

SECTION 7. Implementation. The City Manager, or his or her designee, is hereby authorized to and directed to, on behalf of the City, execute and/or amend any and all documents in accordance with this Resolution and applicable law.

SECTION 8. CEQA Exemption. The City Manager, or his or her designee, is hereby authorized to and directed to, on behalf of the City, file a Notice of Exemption from the California Environmental Quality Act with the Clerk of the County of San Bernardino in accordance with this Resolution and applicable law.

SECTION 9. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 10. Certification. The City Clerk shall certify to the adoption of this Resolution.

SECTION 11. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 6th day of October 2026.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST AND 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 October 6, 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 October 6, 2026.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

PARTICIPATION AGREEMENT FOR THE CITY OF ONTARIO
RESIDENT VEHICLE INCENTIVE PROGRAM
WITH ONTARIO FRANCHISED VEHICLE DEALERS

[Attached behind this cover page]

EXHIBIT B

VIP PROGRAM GUIDELINES

[Attached behind this cover page]

EXHIBIT C

ECONOMIC DEVELOPMENT SUBSIDY REPORT

[Attached behind this cover page]

PARTICIPATION AGREEMENT FOR THE CITY OF ONTARIO RESIDENT VEHICLE INCENTIVE PROGRAM WITH ONTARIO FRANCHISED VEHICLE DEALERS

This Participation Agreement for the City of Ontario Resident Vehicle Incentive Program ("Agreement") is entered into this ____ day of _____, 2026, by and between the City of Ontario, a municipal corporation organized and existing under the laws of the State of California ("City"), and the franchised vehicle dealers located in the City of Ontario identified herein ("Dealership(s)"), all collectively referred to hereafter as the "Parties."

RECITALS

1. The Parties desire to implement a City of Ontario Resident Vehicle Incentive Program ("VIP" or the "Program") whereby the City shall provide a rebate to eligible City of Ontario residents for the purchase or lease of a new vehicle, or purchase of a pre-owned vehicle, from a participating franchised vehicle dealership located in the City of Ontario, pursuant to the terms defined herein. This Agreement governs the process of reimbursement to participating Dealerships that provide a corresponding discount on the agreed upon purchase or lease price of any qualifying vehicle purchased or leased in the City of Ontario by an eligible resident.

2. The Dealerships participating in the Resident VIP shall include: Audi Ontario, BMW of Ontario, Citrus Motors Ford, Crown Lexus, Crown Toyota, Empire Nissan, Genesis of Ontario, Infiniti of Ontario, Jeep Chrysler Dodge RAM Fiat of Ontario, Mark Christopher Auto Center, Mercedes-Benz of Ontario, MINI of Ontario, Ontario Hyundai, Ontario Volkswagen, Penske Honda Ontario, Porsche of Ontario, Subaru of Ontario, and Volvo Cars Ontario.

AGREEMENT

3. **Rebate Program.** The City of Ontario hereby agrees to provide to the participating Dealerships a rebate for each qualifying vehicle purchase or lease by an eligible City of Ontario resident, in the following amounts: (i) $500.00 per qualifying new vehicle purchased or leased; and (ii) $250.00 per qualifying pre-owned vehicle purchased. Motorcycles, off-road vehicles, and watercraft are not eligible. Each rebate is subject to the following conditions:

   A. The Dealership documents the sale of the new or pre-owned vehicle to an eligible City of Ontario resident under the Program Guidelines;

   B. The Dealership discounts the purchase or lease price of the qualifying vehicle by an additional amount equal to the applicable rebate ($500 for a new vehicle purchase or lease, or $250 for a pre-owned vehicle purchase) from the agreed upon price, identified on the final sales contract on a separate line under "Other" with an "Ontario Resident VIP Rebate" description; and

C. The Dealership submits all required rebate forms to the City on a monthly basis, providing the rebate request and corresponding proof-of-sale documentation and registration documents under the Program Guidelines established by the City for administration of the Resident VIP. (See attached Ontario Resident VIP Rebate Form.)

4. **Dealership Responsibilities.** The Dealership shall meet all of the following requirements:

   A. Dealership must be a franchised vehicle dealer located in the City of Ontario and hold a valid City of Ontario business license;

   B. Dealership must be in good standing with its manufacturer and the Inland Empire Automobile Dealers Association, and have no unresolved code violations or legal or administrative proceedings with the City;

   C. Dealership shall document the sale of each qualifying vehicle using the applicable Ontario Resident VIP Rebate Form, including the final sales invoice showing proof of purchase or lease and proof of registration of the vehicle in the City of Ontario;

   D. Dealership shall identify the applicable rebate ($500 for a new vehicle or $250 for a pre-owned vehicle) on the final sales contract on a separate line under "Other" with an "Ontario Resident VIP Rebate" description, and apply it toward the purchase or lease price;

   E. Dealership shall collect and submit all required documentation as proof of eligibility: a valid California driver's license, utility bill, property tax bill, proof of insurance, or bank statement; and

   F. Dealership shall submit all rebate forms and required documentation to the City on a monthly basis, together with a completed Ontario Resident VIP Summary Form (see attached), and shall meet the requirements of the City under the Resident VIP Program Guidelines established by the City Manager or designee. Any rebate provided by a dealership to a non-Ontario resident will not be reimbursed by the City.

5. **City of Ontario Resident Responsibilities.**

   A. The qualified resident applicant must be able to prove City of Ontario residency under the Program Guidelines by registering the purchased or leased vehicle to an address within the City of Ontario and providing one of the following: a valid California driver's license, utility bill, property tax bill, proof of insurance, or bank statement; and

   B. The City-sponsored rebate is available only for the purchase or lease of a new vehicle, or the purchase of a pre-owned vehicle, from a participating Dealership.

6. **Term.** This Agreement shall commence on April 1, 2027, and continue for a ten (10) year term ending March 31, 2037, established to align with the anticipated implementation date of Measure H, a City of Ontario transactions and use tax (sales tax) measure, if approved.

Commencement and continued implementation of this Agreement is contingent upon: (i) voter approval of Measure H; and (ii) Measure H and Measure Q (approved in 2022) remaining in effect throughout the initial ten (10) year term and any extended term thereof. In accordance with Government Code Section 53083, the City will conduct a formal program review, issue a follow-up report, and hold a public hearing within the term of the Program, five (5) years after approval of the economic development subsidy, and no later. Notwithstanding the foregoing, the City will not unreasonably withhold extension at the five (5) year mark. Because the Program has a term of ten (10) years or more, the City will also hold a public hearing at the conclusion of the Program term. Any extension, renewal, or material amendment of the Program shall be made by written amendment approved by the City Council and executed by the authorized representatives of the Parties, subject to applicable law.

The Dealership may terminate its participation in the program by providing the City thirty (30) days written notice to the attention of the City Manager.

7. **Reimbursement by City.** Dealerships shall submit requests for reimbursement to the City on a monthly basis, together with all required documentation necessary to verify the sale of a qualifying vehicle under the Resident VIP guidelines, within thirty (30) days of the last day of the reportable month. Within five (5) business days of receipt, the City will review the rebate applications and supporting documentation; if documentation is missing, the City will request the additional documentation to provide the opportunity to resubmit with completed documentation, which may delay processing of the deficient applications but will not delay applications that are complete. Upon approval, the City shall reimburse the Dealership within thirty (30) days of the rebate submissions, provided that all required documentation is complete and submitted. The maximum amount of reimbursements by the City for the Resident VIP shall not exceed $3,500,000 in any year of the Agreement or $35,000,000 over the ten (10) year term. All reimbursements are subject to annual appropriation by the City Council and the availability of legally available funds.

8. **Administration.** The City Manager is hereby appointed to administer this Agreement and take all necessary actions to implement this Agreement on behalf of the City.

9. **Interpretation of the Agreement.**

   A. This Agreement constitutes the entire agreement between the Parties and supersedes all prior discussions, negotiations, and agreements, whether oral or written. Any amendment to this Agreement, including an oral modification supported by new consideration, must be reduced to writing and signed by both Parties before it will be effective.

   B. This Agreement and all amendments and supplements to it may be executed in counterparts, and all counterparts together shall be construed as one document.

   C. This Agreement is to the benefit of, and is binding on, the Parties and their respective heirs, personal representatives, successors, and assigns.

D. The captions heading the various paragraphs of this Agreement are for convenience and shall not be considered to limit, expand, or define the contents of the respective paragraphs. Masculine, feminine, or neuter gender and the singular and the plural number shall each be considered to include the other whenever the context so requires. If either Party consists of more than one person, each such person shall be jointly and severally liable. This Agreement shall be interpreted under California law and according to its fair meaning, and not in favor of or against any Party.

10. **Governing Law.** This Agreement is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. Any legal proceedings on this Agreement shall be brought under the jurisdiction of the Superior Court of the County of San Bernardino, State of California.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the date and year first above written.

CITY OF ONTARIO:

Scott Ochoa
City Manager

ATTEST:

Sheila Mautz
City Clerk

APPROVED AS TO FORM:

Ruben Duran
City Attorney

DEALERSHIP:

[Dealership Owner Name]
[Title, Dealership Name]

ONTARIO RESIDENT VIP REBATE FORM

VEHICLE I.D. NUMBER	MAKE AND MODEL	RETAIL DELIVERY DATE

CUSTOMER INFORMATION FOR VALIDATION:

CUSTOMER LAST NAME	FIRST NAME, M.I.	TELEPHONE NUMBER
STREET ADDRESS	CITY, STATE	ZIP CODE

DEALERSHIP NAME	PURCHASE/LEASE PRICE AND REBATE

Initial: _____ _____	I, the customer and Ontario resident, have applied the Ontario Resident VIP Rebate towards the purchase or lease of my vehicle. Therefore, I have assigned the cash payment directly to the dealer. I release the City of Ontario from any further claim or obligation for payment to me for this vehicle. **I, the customer, give the dealership named above permission to share this form, the final sales contract and a copy of my valid identification to the City of Ontario to process the rebate. I declare under penalty of perjury that the above information is true and correct.**

CUSTOMER SIGNATURE DATE

SALES MANAGER NAME (PLEASE PRINT) DEALERSHIP NAME DATE

SALES MANAGER SIGNATURE DATE

THIS COMPLETE FORM MUST BE FORWARDED TO THE CITY OF ONTARIO WITH THE VEHICLE SALES DOCUMENTS. BY SIGNING THE ABOVE DOCUMENT, THE DEALER IS VERIFYING THAT THE RESIDENT LIVES IN THE CITY OF ONTARIO AND QUALIFIES FOR THE REBATE.

ONTARIO RESIDENT VIP SUMMARY FORM

DEALERSHIP NAME: _____ **MONTH/YEAR:** _____

PHONE: _____

PREPARED BY: _____ **EMAIL:** _____

#	DATE OF PURCHASE / LEASE	RESIDENT NAME	NEW / PRE-OWNED PURCHASE / LEASE	REBATE

TOTAL VEHICLES:					
NEW:		**PRE-OWNED:**		**LEASE:**	
TOTAL REBATES REQUESTED:					

_____

PREPARER SIGNATURE **DATE**

CITY OF ONTARIO
RESIDENT VEHICLE INCENTIVE PROGRAM GUIDELINES

To maintain and spur growth of the local tax base, and to encourage Ontario residents to "buy local" and invest in the local economy, the City has developed the Resident Vehicle Incentive Program (VIP) that incentivizes Ontario residents to purchase or lease a car or truck ("vehicle") from one of 18 franchised Ontario auto dealerships.

The Resident VIP provides a $500 rebate to an Ontario resident who purchases or leases a new vehicle, or a $250 rebate to an Ontario resident who purchases a pre-owned vehicle, from a franchised Ontario auto dealer. The rebates are designed to encourage residents to Purchase vehicles from participating franchised dealerships within the local community. The VIP has been developed to avoid leakage of local automotive purchases to outside jurisdictions and would ensure that future revenue generated by this sector will be available to provide vital City services.

Program Objectives

- Reinvest in the local economy.
- Encourage job creation and retention.
- Incentivize residents to shop local.
- Avoid leakage of automotive purchases to other cities.
- Maintain a strong retail sales base in the City.

Eligible Participants

Any resident of the City of Ontario that purchases or leases a new vehicle, or purchases a pre-owned vehicle, from the eligible dealership is eligible to receive the rebate.

- Qualified residents must be able to provide proof of Ontario residency to the dealership by registering their new purchase in Ontario and one of the following:

  - Valid California Driver's License
  - Utility Bill
  - Property Tax Bill
  - Proof of insurance
  - Bank statement

- Qualified residents must sign an Ontario Resident VIP Rebate Form verifying residency in Ontario.
- Rebate will be applied towards the agreed upon purchase or lease price in the final sales contract.

Eligible Dealerships

The Resident Vehicle Incentive Program (VIP) has been designed to encourage residents to purchase or lease a car or truck from one of the 18 franchised auto dealers in the City of Ontario. A list of eligible dealerships is provided below.

1. Audi Ontario – 2272 Inland Empire Blvd., Ontario, CA 91764
2. BMW of Ontario – 1301 Auto Center Dr., Ontario, CA 91761
3. Citrus Motors Ford – 3267 E. Tenandhaven Paseo, Ontario, CA 91761
4. Crown Lexus – 1125 Kettering Dr., Ontario, CA 91761
5. Crown Toyota – 1201 Kettering Dr., Ontario, CA 91761
6. Empire Nissan – 1377 Kettering Dr., Ontario, CA 91761
7. Genesis of Ontario – 2100 Inland Empire Blvd., Ontario, CA 91764
8. Infiniti of Ontario – 2192 Inland Empire Blvd., Ontario, CA 91764
9. Jeep Chrysler Dodge RAM Fiat of Ontario – 1202 Auto Center Dr., Ontario, CA 91761
10. Mark Christopher Auto Center – 2131 E. Convention Center Way, Ontario, CA 91764
11. Mercedes-Benz of Ontario – 3787 E. Guasti Rd., Ontario, CA 91761
12. MINI of Ontario – 1251 Auto Center Dr., Ontario, CA 91761
13. Ontario Hyundai – 1307 Kettering Dr., Ontario, CA 91761
14. Ontario Volkswagen – 701 Kettering Dr., Ontario, CA 91761
15. Penske Honda of Ontario – 1401 Auto Center Dr., Ontario, CA 91761
16. Porsche Ontario – 2262 Inland Empire Blvd., Ontario, CA 91764
17. Subaru of Ontario – 1195 Auto Center Dr., Ontario, CA 91761
18. Volvo Cars Ontario – 1300 Auto Center Dr., Ontario, CA 91761

Qualifying Vehicles

- All purchases and leases of new cars or trucks are eligible.
- All purchases of pre-owned cars or trucks are eligible.
- Motorcycles, off-road vehicles or watercraft are not eligible purchases under this program.

Rebate Administration and Process

- Participating dealers document the purchase or lease of the new or pre-owned vehicle using the Resident VIP Rebate Form. Dealer must include:

    1. Final sales invoice showing proof of purchase;
    2. Proof of auto registration in Ontario;
    3. Resident VIP Rebate Form;
    4. Copy of one of the following: resident valid California Driver's license; utility bill; property tax bill; proof of insurance; or bank statement.

- Within thirty (30) days after the last day of the reportable month, dealers will submit a rebate summary report with required documentation to the City of Ontario for reimbursement and processing. The purchase summary form must be filled out and attached with rebate forms. Within thirty (30) days of the rebate submissions, provided that all required documentation is complete and submitted, City will issue reimbursement to dealers.

- Any rebate provided by a dealership to a non-Ontario resident will not be reimbursed by the City.

Dealer Responsibilities

- Dealership franchises must have an Ontario business license, be in good standing with their manufacturer and the Inland Empire Automobile Dealers Association, and have no unresolved code violations or legal or administrative proceedings with the City.

- Dealerships must document the purchase or lease of the new or pre-owned vehicle using the Resident VIP Rebate Form. Dealer must include: final sales invoice showing proof of purchase, proof of registration in Ontario, Resident VIP Rebate Form.

- Dealerships shall identify the $500 (new vehicle purchase or lease) or $250 (pre-owned vehicle purchase) rebate to be applied towards the purchase price and shall be listed in the sales contract under a separate rebate on the “Other” line with a “Ontario Resident VIP Rebate” description.

- Dealerships must collect and submit all required documentation as proof of residency for qualified Ontario residents. (A copy of one of the following: valid California Driver’s license; utility bill; property tax bill; proof of insurance; or bank statement).

- On a monthly basis dealers will submit all rebate forms with required documentation to the City of Ontario for reimbursement and processing. Resident VIP Summary Form must be filled out and attached with rebate forms.

Program Term

The Ontario Resident Vehicle Incentive Program shall commence on April 1, 2027, and continue through March 31, 2037, for a term of ten (10) years, subject to annual appropriation of funds by the City Council and the terms of the applicable Participation Agreement.

Any extension, renewal, or material modification of the Program beyond March 31, 2037, shall be subject to City Council approval and compliance with all applicable legal requirements.

Program Administration

Within five (5) business days of receipt of documentation from dealerships, the City of Ontario will review the rebate applications and all supporting documentation. Dealers are required to self- certify that the summary covers all transactions handled during the reporting period.

Upon approval of documentation, the City of Ontario will be responsible for issuing checks to dealerships within thirty (30) days of the rebate submissions, provided that all required documentation is complete and submitted.

Program Funding

The Program budget shall be limited to $3,500,000 per year for vehicle rebates and up to $50,000 per year for City marketing and administration, subject to annual appropriation by the

City Council. Over the 10-year Program term, the maximum cumulative expenditure shall not exceed $35,000,000 for vehicle rebates and $500,000 for marketing and administration, for a maximum total Program expenditure of $35,500,000.

Program Evaluation

Staff will periodically evaluate the effectiveness of the Program, including changes in eligible new and pre-owned vehicle purchases and leases by Ontario residents, rebate participation, local sales-tax revenue, and dealership employment. Staff will also consider external factors, including economic conditions, San Bernardino County vehicle sales, changes in manufacturer market share, and the opening or closure of dealerships inside or outside the City.

In accordance with Government Code section 53083, the City will prepare a follow-up economic development subsidy report and hold a public hearing within the Program term, five (5) years after approval of the subsidy, and no later. Because the Program has a term of ten (10) years or more, the City will also provide the required information and hold a public hearing at the conclusion of the 10-year Program term.

Economic Development Subsidy Report
Pursuant to Government Code Section 53083
For a City of Ontario Resident Vehicle Incentive Program

Pursuant to Government Code Section 53083, the City Council of the City of Ontario must hold a noticed public hearing and, prior to the public hearing, provide all of the following information in written form and available to the public through the City's website regarding a proposed economic development subsidy provided by the City pursuant to a Participation Agreement between the City of Ontario and 18 franchised dealers (Agreement), in connection with the Resident Vehicle Incentive Program (VIP). Notice was published on the City's website for a public hearing to be held on October 06, 2026.

The purpose of this report is to provide the information required pursuant to Government Code Section 53083 in regard to the Ontario Resident VIP. This report shall remain available to the public and posted on the City's website until the end date of the economic development subsidy, as further described in number 2 below.

(1) The name and address of all corporations or any other business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy, if applicable.

The City proposes to enter into a Participation Agreement with the eighteen franchised automobile dealerships listed below. For purposes of this report, the participating dealerships are identified as business-entity beneficiaries because they are parties to the Participation Agreement and may receive an indirect economic benefit from increased or retained vehicle sales resulting from the Resident VIP.

The direct financial incentive will be provided to eligible City of Ontario residents that purchase or lease a qualifying vehicle from a participating dealership. The Participation Agreement will establish the responsibilities of the City and each participating dealership, including purchaser eligibility verification, required documentation, program administration, and payment procedures. The participating dealership entities are:

Audi Ontario 2272 Inland Empire Blvd. Ontario, CA 91764	Genesis of Ontario 2100 Inland Empire Blvd. Ontario, CA 91764	Ontario Hyundai 1307 Kettering Dr. Ontario, CA 91761
BMW of Ontario 1301 Auto Center Dr. Ontario, CA 91761	Infiniti of Ontario 2192 Inland Empire Blvd. Ontario, CA 91764	Ontario Volkswagen 701 Kettering Dr. Ontario, CA 91761
Citrus Motors Ford 3267 E. Tenandhaven Paseo Ontario, CA 91761	Jeep Chrysler Dodge RAM Fiat of Ontario 1202 Auto Center Dr. Ontario, CA 91761	Penske Honda of Ontario 1401 Auto Center Dr. Ontario, CA 91761
Crown Lexus 1125 Kettering Dr. Ontario, CA 91761	Mark Christopher Auto Center 2131 E. Convention Center Way Ontario, CA 91764	Porsche Ontario 2262 Inland Empire Blvd. Ontario, CA 91764
Crown Toyota 1201 Kettering Dr. Ontario, CA 91761	Mercedes-Benz of Ontario 3787 E. Guasti Rd. Ontario, CA 91761	Subaru of Ontario 1195 Auto Center Dr. Ontario, CA 91761
Empire Nissan 1377 Kettering Dr. Ontario, CA 91761	MINI of Ontario 1251 Auto Center Dr. Ontario, CA 91761	Volvo Cars Ontario 1300 Auto Center Dr. Ontario, CA 91761

(2) The start and end dates and schedule, if applicable, for the economic development subsidy.
Upon City Council approval, the proposed Participation Agreement is expected to commence on April 1, 2027, and end on March 31, 2037, for a 10-year term, with a formal review at the 5-year mark. The Resident VIP is contingent upon voter approval of Measure H on the November 03, 2026 ballot, and of Measure H and previously approved Measure Q remaining in place. The Resident VIP will remain subject to annual appropriation of legally available City revenues. Because the term of the proposed Resident VIP is ten years, the City will post this report on the City's website for the full term, issue an interim report to the Council within five years of approval, and the City Council will hold a public hearing at the conclusion of the subsidy, consistent with Government Code Section 53083.

(3) A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the local agency as a result of the economic development subsidy.

The economic development subsidy to Ontario residents is $500 per new vehicle purchased or leased and $250 per pre-owned vehicle purchased from a participating dealership, for an estimated subsidy of approximately $3,500,000 per year over the 10-year proposed term, for an estimated cumulative total of approximately $35,000,000. In addition, up to $50,000 per year is budgeted for City marketing and administration of the Resident VIP, for a total estimated public expenditure of up to $3,550,000 per year — totalling up to an estimated $35,500,000 over the term.

The Resident VIP would be funded by a portion of the revenue generated by the proposed sales tax Measure H and existing Measure Q. Qualifying leases are limited to new cars and trucks. Pre-owned vehicle leases, motorcycles, off-road vehicles, and watercraft are not eligible. These figures are maximum (appropriation) ceilings; the estimated actual rebate cost, based on current purchase volumes, is provided in item 5 below. The program is anticipated to be funded through annual appropriations from legally available City sales tax and use tax revenues. All program expenditures will remain subject to City Council for budget approval and the terms of the Participation Agreement.

(4) A statement of the public purposes for the economic development subsidy.

With the proposed sales tax measure set for the November 3, 2026, ballot, local dealerships have expressed concern that a citywide sales tax increase could lead to a decrease in the potential number of cars sold or leased to residents. The Resident VIP has been developed to address the potential leakage of local automotive purchases to outside jurisdictions. This represents a shifting in local revenues, as well as the loss of funds needed for vital City services, to outside jurisdictions, resulting in a negative impact on the City's local economy. To spur residents to continue to purchase from Ontario dealerships, the Resident VIP incentive has been proposed.

(5) Projected tax revenue to the local agency as a result of the economic development subsidy.
With targeted marketing and program awareness efforts, staff anticipate that the proposed incentive program will increase the number of eligible City of Ontario residents purchasing vehicles and, importantly, improve the City's approximately ability to retain a portion of those transactions within Ontario rather than losing sales activity to competing dealerships in surrounding jurisdictions. Staff estimates that the Resident VIP will retain 5,141 new-vehicle purchases and 1,894 pre-owned vehicle purchases annually at participating dealerships located within the City of Ontario. These estimates represent purchases that are assumed to occur outside the City in the absence of the program.

Based on reported taxable sales and transaction volumes, the estimated average taxable revenue attributable to each transaction is $36,774 for a new vehicle and $17,614 for a pre-owned vehicle. These figures should not be interpreted as average vehicle prices. Dealership representatives estimate average prices of approximately $54,000 for new vehicles and $35,000 for pre-owned vehicles. However, the taxable-revenue averages are lower because they reflect a combination of vehicle purchases and leases, for which the full retail value of the vehicle may not be recognized as taxable revenue during the same reporting period.

Using these blended taxable-revenue averages, the projected annual taxable sales retained within the City are calculated as follows:

- 5,141 new vehicles × $36,774 = $189,055,134
- 1,894 pre-owned vehicles × $17,614 = $33,360,916
- Total estimated taxable sales = $222,416,050

Applying the City's existing and proposed local sales tax allocation (1%-Measure Q and proposed 0.5%-Measure H), the program is projected to generate/protect approximately $3,336,241 in annual tax revenue to the City:

- $222,416,050 × 1.5% = $3,336,241

Assuming consistent annual participation throughout the proposed 10-year program term, the cumulative projected tax revenue would be approximately $35 million, without adjustment for inflation, changes in vehicle prices, or changes in purchasing activity.

The proposed half-cent local transactions and use tax is generally associated with the purchaser's place of registration or use. Because an Ontario resident may generate this revenue for the City regardless of whether the vehicle is purchased from a dealership located inside or outside Ontario, revenue from the proposed tax measure is not included in the amount projected to result directly from the Resident VIP.

Actual revenue will depend on program participation, the number of purchases that are retained within Ontario because of the incentive, vehicle transaction values, purchaser eligibility, and applicable tax-allocation rules.

(6) Estimated number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions.

The proposed Resident VIP will assist in retaining the existing jobs at the eighteen Ontario auto dealerships. The Resident VIP is not expected to create a significant number of new net positions; as an offset to a sales tax increase rather than a demand stimulus, its primary effect is to sustain existing employment, and new part-time or temporary positions are anticipated to grow with corresponding sales growth. Based on employment information provided, dealerships currently employ approximately 1,548 full-time and 54 part-time positions (approximately 1,602 total), with no temporary positions reported.